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LAST ISSUE

East Asia

**FBIS-EAS-96-166
Monday
26 August 1996**

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Daily Report

East Asia

FBIS-EAS-96-166

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Japan

Japan: Official on Possible No Hashimoto-Clinton Talks in Sep

OW2408004996 Tokyo ASAHI SHIMBUN
in Japanese 23 Aug 96 Morning Edition p 2

[FBIS Translated Text] A study on Prime Minister Ryutaro Hashimoto's attendance at a UN General Assembly [UNGA] session scheduled in late September is now under way. With regard to this, a top Ministry of Foreign Affairs [MOFA] official said on 22 August: "The Japan-U.S. summit will not necessarily be held during the prime minister's U.S. visit to attend a UNGA session. We need to consider that President Bill Clinton may be busy with the upcoming presidential election campaign." In this way, the official indicated his view that there is a possibility that the talks with President Clinton may not be held during Hashimoto's stay in the United States.

It is felt that Hashimoto's attendance at the UNGA session should be realized on condition that the Okinawa base issues pending between Japan and the United States will be developed and substantially settled at the summit. However, the consultations on the possible relocation site of Marine Corps Air Station Futenma are facing rough going, and the prospect for settlement of the issue is still far from certain at this point.

Japan: Tokyo, Washington To Hold First Auto Consultation in Mid-Sep

OW2408065996 Tokyo KYODO in English
0500 GMT 24 Aug 96

[FBIS Transcribed Text] Washington, Aug. 23 KYODO — Japan and the United States will hold in mid-September in San Francisco their first working-level talks on the implementation of auto trade measures agreed in a bilateral pact struck in June last year, U.S. auto industry sources said Friday.

During the meeting, which looks set to be held around Sept. 18, the U.S. Government is expected to evaluate the accord's success, the sources said.

The sources cited the deregulatory steps taken by the Japanese Government in the auto repair market, and the Japanese automakers' increased procurement of U.S.-made parts.

The sources added, however, that the U.S. is likely to express concerns over the delay in establishing firm sales networks for U.S. auto vehicles in Japan.

After the consultation, the two governments are expected to issue a joint statement, they said.

In Geneva in June last year, Japan and the U.S. agreed to consult annually to assess implementation of the measures through the year 2000.

In April this year, the U.S. Government issued a report which praised progress in bilateral auto trade after the Geneva Accord.

President Bill Clinton's administration has recently been parading the fruits of a series of trade accords with Japan ahead of the presidential election. The U.S. Government is therefore expected to express satisfaction at developments in the first year of the accord, the sources said.

Meanwhile, the American Automobile Manufacturers Association (AAMA) fears the number of new dealers selling U.S.-made cars in Japan will fall short of the U.S. target of 200 by the end of 1996.

On Tuesday, the U.S. "big three" automakers said they have urged the Office of the U.S. Trade Representative (USTR) to put Japan's vehicle market on its watch list for launching Super 301 investigations.

Japan: U.S.-Japan Auto Industry Ties Said 'Beginning To Sour'

OW2608025296 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 22 Aug 96 Morning Edition p 11

[Unattributed article: "Relations Between Japanese and U.S. Automobile Industries Beginning To Sour; U.S. Automobile Industry Association Requests Designating Japan Automobile Market as Target of Surveillance; Japan Bewildered With Inspection Meeting Coming up"]

[FBIS Translated Text] Relations between the Japanese and U.S. automobile industries, which have for some time been in a cooperative mood, have begun to sour. The American Automobile Manufacturers Association [AAMA] has asked the Office of the U.S. Trade Representative (USTR) to designate the Japanese automobile market as a target of surveillance under the Super 301 provision of the 1988 Omnibus Trade and Competitiveness Act. Japanese automakers and the Ministry of International Trade and Industry [MITI] are confused, saying: "There should not be any problems" (as stated by Toyota Motor Corporation President Hiroshi Okuda). Along with the recent depreciation of the yen against other currencies — which causes the U.S. Big Three automakers to lose their competitive edge in exports — the concern has emerged that the Japanese-U.S. automobile issue may again become prey to conflicting political interests, in view of such upcoming events as the automobile agreement inspection meeting scheduled for mid-September.

According to the AAMA, the U.S. Big Three automakers signed on 106 new dealerships in the Japanese automobile market after the Japanese-U.S. automobile accord was reached in June 1995. Although numerical targets were not adopted in the accord, the United States unilaterally set a target, insisting that "there shall be 200 more dealerships by the end of 1996." Since this would be difficult to accomplish at the current pace, the AAMA has asked the USTR to monitor the Japanese automobile market under the Super 301 provision, claiming that "barriers hampering access to the Japanese automobile market still remain."

Japanese automakers are shaking their heads, pointing out: "The Americans were only recently saying that they were satisfied with the situation in the Japanese automobile market" (according to a top Toyota official). Regarding the reasons as to why the number of new dealerships are not increasing, Japanese automakers are saying: "The Americans are not making enough effort on this, compared to the Europeans" (according to the same Toyota official). MITI is also expressing displeasure at the American complaints.

Regarding U.S. moves, some observers are even saying bluntly: "They want to pressure the Japanese automakers in view of the upcoming inspection meeting between the Japanese and U.S. Governments and the U.S. presidential election" (as stated by a senior official at a major Japanese automaker).

It is expected that the EU and other countries who are displeased with the bilateral automobile agreement between Japan and the United States will participate as observers at the September inspection meeting in the United States. The Japanese Government has also filed a complaint with the World Trade Organization (WTO) on Brazil's automobile policy. Since the global trend is that "the automobile issue should be discussed within a large (multilateral) league" (according to Honda President Nobuhiko Kawamoto), it appears that the Japanese automobile industry, which believed that it was on good terms with its U.S. counterpart, has taken a beating from the latter.

Japan: Hashimoto, Chile's Frei Agree To Expand Dialogue

OW2408011196 Tokyo KYODO in English
0049 GMT 24 Aug 96

[FBIS Transcribed Text] Santiago, Aug. 23 KYODO — Japanese Prime Minister Ryutaro Hashimoto and Chilean President Eduardo Frei Ruiz-Tagle agreed Friday to expand bilateral ties by holding regular high-level talks, Japanese officials said.

The officials said the two leaders agreed to use next year's centennial of the establishment of diplomatic relations to further strengthen relations.

Frei will visit Japan in the fall of 1997 and the two countries will hold regular high-level talks, the officials said.

Hashimoto emphasized the need for reform of the United Nations and Frei reiterated Chile's support for Japan's bid to become a permanent member of the U.N. Security Council, the officials said.

"There is strong support for Japan and Germany to become permanent members of the U.N. Security Council but no agreement has been reached on U.N. reform," Hashimoto was quoted as telling Frei.

Hashimoto told Frei during the 90-minute meeting that he will seek progress in U.N. reform at next month's General Assembly session, they said.

Hashimoto, who is well versed in social welfare affairs, proposed that Japan extend financial support to Romania, Ukraine, Bulgaria and other East European nations and former Soviet republics to emulate Chile's success in privatizing its pension funds.

Under the proposal, which is part of Hashimoto's efforts to encourage mutual assistance among developing countries, Japan will pay for Chile to send pension experts to these countries.

Frei agreed with the Japanese proposal, the officials said.

Hashimoto also said he will relay to the Imperial Household Agency Frei's request for a member of the Japanese royal family to visit Chile to celebrate the 100th anniversary of the establishment of diplomatic relations.

Hashimoto separately pledged financial support for a project to build a trans-South American highway and promised 650,000 dollars of a Japan fund in the Inter-American Development Bank for a feasibility study, one official said.

Additionally, the premier announced Japanese plans to hold a seminar in Chile for smaller businesses and to promote cultural education among Chilean families.

After their talks, Hashimoto and Frei attended the signing ceremony for a 50 million yen cultural aid package for a language laboratory at a national school.

Hashimoto arrived in Santiago from Mexico on Thursday on the second leg of his Latin American tour. He is the first Japanese premier to visit Chile in 37 years.

He will also visit Brazil, Peru and Costa Rica before returning to Tokyo on Aug. 30 via Hawaii.

Japan: 'Arafat To Visit 10-13 Sep as Part of Peace Efforts

OW2608013896 Tokyo KYODO in English
0122 GMT 26 Aug 96

[FBIS Transcribed Text] Gaza, Aug. 26 KYODO — Yasir 'Arafat, head of the self-rule government in Palestine, will visit Japan on Sept. 10 to 13 in an effort to advance stalled peace talks with Israel, Japanese government officials said Sunday [25 August].

'Arafat's third visit to Japan was agreed at a meeting he had with Japanese Foreign Minister Yukihiko Ikeda. It will be his first visit to Japan since becoming head of the self-rule government in Palestine.

'Arafat will meet with Prime Minister Ryutaro Hashimoto, who plans to express Tokyo's support for 'Arafat and its intention to continue economic assistance to the Middle East peace efforts, the officials said.

In his meeting with Ikeda, 'Arafat urged the Japanese Government, together with the United States and European countries, to step up efforts to promote the peace process in the Middle East, the officials said.

According to officials Ikeda said, "we will continue our efforts to bring the peace process to fruition and will let Israel know the need to promote the process."

But 'Arafat said all of the "Palestine track" discussions between Israel and the Palestinians, including dialogue on the permanent status of Jewish settlements, are now frozen, they said.

'Arafat also pointed out such problems as increased unemployment in Palestinian villages due to Israel's economic blockade, Israel's new policies on Jewish settlements and the delayed withdrawal of Israeli troops from Hebron, the officials said.

According to the Japanese Government officials, 'Arafat criticized the Israeli Government led by Prime Minister Benjamin Netanyahu, saying that he cannot indefinitely tolerate the current impasse in the peace process.

Ikeda asked 'Arafat to remain committed to the peace process, saying, "I can understand the difficult situation you are facing, but you need to continue to have patience," the officials said.

Ikeda arrived in Israel on Sunday afternoon to meet with Israeli President Ezer Weizman.

During their meeting in Jerusalem, Weizman told Ikeda it is likely to take some time for Israel and Palestine to resume peace talks, the officials said.

Weizman said it is difficult for the Netanyahu government, established last June, to conclude the peace process in an instant, but that he hopes the countries involved will have patience with the administration.

Ikeda, however, said Arab countries are expecting Netanyahu to take action and feel they have already given him enough time, they said.

Weizman said he hopes to meet with 'Arafat in his country sometime in the near future, they said.

Japan: Labor, Bribery Issues Could Overshadow WTO Meeting

OW2408064196 Tokyo KYODO in English
0550 GMT 24 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 24 KYODO — The standoff between developed and developing countries over labor standards and the use of bribes to gain favorable trade has deepened, overshadowing an upcoming meeting of World Trade Organization (WTO) member states in Singapore, Foreign Ministry sources said Saturday.

Prior to the first get-together of ministers from WTO member states slated for Dec. 6-16, tough bargaining is under way between the two camps over the contentious issues, the sources said.

"If the situation is left unchecked, the WTO ministerial meeting will break down in disagreement," a ministry source said.

"Talks on the labor standard issue are on the brink of breaking down," the source said.

During a meeting in New Zealand of trade ministers from the Asia-Pacific Economic Cooperation (APEC) forum that began July 15, the United States argued that the WTO meeting should take up the issues of how to narrow the gap in labor standards and eradicate bribes from international trade.

The U.S. argues that exporters in developing countries are damaging developed countries' industries by selling lower-priced goods made available by meager labor conditions. And it says the use of bribes is undermining the fairness in international commerce.

But representatives from developing countries balked at the U.S. proposal to have the WTO take up the issues.

Foreign ministers from the Association of Southeast Asian Nations (ASEAN) renewed their opposition to

the U.S. position at a meeting that began July 20 in Jakarta, saying the labor standard proposal will hamper future economic growth of developing countries.

During a subsequent meeting of foreign ministers from seven ASEAN nations as well as Japan, the European Union, Australia, New Zealand, the United States, and other states, ASEAN delegates remained adamant in rejecting the U.S. proposal.

The leaders of the Group of Seven (G-7) industrial nations placed the labor standards issue into the economic communique of their summit meeting in Lyons, France, in late June, making it more difficult for developed countries to drop the issue.

Japan: Ikeda Urges Syria To Maintain Dialogue With Israel

OW2308141396 Tokyo KYODO in English
1340 GMT 23 Aug 96

[FBIS Transcribed Text] Damascus, Aug. 23 KYODO — Japanese Foreign Minister Yukihiko Ikeda on Friday urged Syria to continue its dialogue with Israel in order to maintain the Middle East peace process.

Ikeda made the comment during a meeting with Syrian Foreign Minister Farouk Al-Shara after arriving in the Syrian capital of Damascus earlier in the day on the second leg of a tour of the Middle East.

Japanese officials who briefed reporters on the 90-minute meeting said the Syrian minister told Ikeda the new administration of Prime Minister Benjamin Netanyahu is spoiling efforts made at bilateral dialogue by the previous Israeli administration.

The officials said Ikeda told Al-Shara he understands the Arab world is at the limit of its patience with Israel, but urged perseverance in persuading Israel to participate in the Middle East peace process.

Al-Shara told Ikeda that Syria appreciates references to the principle of reciprocity in relation to territory and peace in a chairman's statement issued at the June 27-29 Lyons summit of the Group of Seven (G-7) industrialized nations, the officials said.

The officials said Ikeda told Al-Shara that Japan supports Syria's policy of economic liberalization and wants to continue giving the country economic assistance, particularly in the field of electric power production.

In Syria, Ikeda, who arrived from Egypt, is scheduled to visit the headquarters of the U.N. Disengagement Observer Force (UNDOF) to offer encouragement to members of a Japanese Self-Defense Forces contingent serving as part of the observer force.

He will also visit Jordan and Israel.

The last high-level Japanese government official to visit the Middle East was former Prime Minister Tomiichi Murayama last September.

Japan: Foreign Minister Visits Peacekeepers in Golan Heights

OW2408012296 Tokyo KYODO in English
0054 GMT 24 Aug 96

[FBIS Transcribed Text] Damascus, Aug. 23 KYODO — Japanese Foreign Minister Yukihiko Ikeda on Friday visited a U.N. peacekeeping headquarters in the Israeli-held Golan Heights to give words of encouragement to Japanese peacekeepers.

Ikeda is the first Japanese cabinet minister to visit the U.N. Disengagement Observer Force (UNDOF), which is charged with monitoring the truce between Israel and Syria.

Some 45 peacekeepers from Japan's Self-Defense Forces have been taking part in the mission involving transport and road maintenance duties since February when they replaced Canadian peacekeepers.

Ikeda met some 35 of the Japanese peacekeepers at the UNDOF base in Paouar, Syria, and gave them comforts such as Japanese sake.

"Each member's experience in the mission for world peace will enhance the Self-Defense Forces as a whole," Ikeda said. "I would like to ask you to fulfill your mission."

Ikeda arrived in Syria from Egypt on Friday on the second leg of a Middle East tour that will also take him to Jordan and Israel.

Japan: SDF Troops Return From Peacekeeping in Golan Heights

OW2608041296 Tokyo KYODO in English
0330 GMT 26 Aug 96

[FBIS Transcribed Text] Narita, Japan, Aug. 26 KYODO — A group of 21 soldiers from the Japanese Self-Defense Forces (SDF) returned to Japan on Monday after completing six-months of peacekeeping duty in the Golan Heights, SDF officials said.

The 21 troops were the main force of a group dispatched in February to join the United Nations Disengagement Observer Force (UNDOF) observing the cease-fire between Syria and Israel in the Golan Heights. Another 22 members of that original group returned to Japan on Aug. 5.

A second group of SDF troops is now replacing them and will provide transport in Syria and Israel, officials said.

The group now returning were the first Japanese SDF peacekeepers to practice firing small arms with soldiers of other countries. They were also equipped with two machine guns.

The fact that this latest SDF operation was more military in nature than the last three SDF contingents to serve abroad has touched off serious discussion about peacekeeping legislation introduced in 1992, analysts said.

At the new Tokyo international airport, Masahisa Sato, leader of the returning SDF group, told reporters, "though there was a possibility that we could be caught up in fighting, I did my best to assure the security of my staff. I am satisfied that I have carried out my duty."

The first group was formed mainly of troops from the Sixth Army Division, based in Yamagata Prefecture.

Japan: DA To Reduce SDF Drills To Allow USMC Artillery Drills

OW2508132196 Tokyo NIHON KEIZAI SHIMBUN in Japanese 23 Aug 96 Morning Edition p 2

[FBIS Translated Text] In regard to the issue of transferring U.S. forces live-fire artillery drills across prefectural highway 104 on Okinawa to ranges elsewhere in Japan, the Defense Agency [DA] on 22 August firmed up its plan to reduce artillery drills by the Ground Self Defense Forces [GSDF] by the same number of days required for the U.S. forces drills. This will be done so that the accommodation of the U.S. forces drills will not result in increasing the number of days that training ranges at the five planned alternative sites are currently being used for such purposes.

The Japanese and U.S. Governments plan to transfer artillery drills on Okinawa to five GSDF training ranges in mainland Japan, allowing up to 10 days of usage of each site. However, the government is facing rough sailing in working out matters with the local authorities on the relocation sites because the latter are opposed to additional usage of the training ranges. Regarding drills currently conducted by the GSDF, the DA has thus decided to take the following steps to minimize further usage of the training ranges as much as possible: 1) the length of the drills will be shortened; and 2) transferable drills will be moved to other ranges.

Japan: Defense Minister Visits Hokkaido for Drill Relocation

OW2608105896 Tokyo KYODO in English 1043 GMT 26 Aug 96

[FBIS Transcribed Text] Kushiro, Japan, Aug. 26 K.'-ODO — Defense Agency Chief Hideo Usui visited Japan's northernmost main island of Hokkaido on Monday, capping his nationwide trek to convince localities to accept the transfer of U.S. live-ammunition drills from Okinawa prefecture.

Usui met with local officials in the towns of Akkeshi and Hamanaka to persuade them to accept the transfer of the drills from Camp Hansen in the southernmost prefecture of Okinawa to the Ground Self-Defense Force (GSDF) Yausubetsu range in Hokkaido.

Later in the day, Usui met with Hokkaido Gov. Tetsuya Hori in the town of Bekkal to ask for his cooperation in the transfer.

The Hokkaido range is one of five GSDF facilities that Japan and the United States have agreed upon for moving the drills.

The other facilities are the Kitafuji firing range in Yamanashi Prefecture, the Higashifuji range in Shizuoka prefecture, the Ojojihara range in Miyagi prefecture and the Hijudai range in Oita prefecture.

With the Hokkaido trip, Usui has met with officials from all the localities selected as transfer sites. Almost everywhere he has gone, the defense minister's requests have been spurned by local officials.

Japan and the U.S. have agreed on the transfer of the drills to reduce some of the burden placed on Okinawa prefecture by the presence of U.S. military forces.

Okinawa comprises about 0.6 of Japan's total land area but houses some 75 percent of all the land reserved for U.S. military use in Japan.

Japan: Live-Fire Drills May Remain in Okinawa

OW2408132596 Tokyo MAINICHI SHIMBUN in Japanese 24 Aug 96 Morning Edition p 2

[FBIS Translated Text] In the news conference on 23 August, Masuo Morodomi, director general of the Defense Facilities Administration Agency [DFAA], commented on the issue of relocating "the live-fire drills across the prefectural highway 104" conducted on U.S. military bases in Okinawa to other sites in mainland Japan. Morodomi said: "If we should fail to win understanding of the local people, it is possible (that the drills will remain in Okinawa)." However, he stressed that "the government, with Defense Agency Director

General Hideo Usui at the head, is urging (the local people) to accept the relocation plan."

Japan: Government Likely To Give Up Plan on Base Land

OW2608083996 Tokyo ASAHI SHIMBUN
in Japanese 25 Aug 96 Morning Edition p 1

[FBIS Translated Text] An opinion prevails within the government and the ruling coalition noting that the government should give up the idea of enacting "special legislation" to strengthen state authority to accelerate procedures for expropriation of land for the U.S. military. The view is based on the thinking that Okinawa Governor Masahide Ota may change his policy of refusing to sign papers needed for the forced use of land for the U.S. Forces following the Supreme Court's 28 August ruling on the government's order for Ota to sign the documents and the 8 September prefectural referendum on U.S. bases. If Ota changes his stand, the land expropriation issue will progress greatly.

The Social Democratic Party is strongly opposed to submitting to the Diet a bill to strengthen state authority. By abandoning the idea of enacting a new law, the government also hopes to avoid political confusion that may lead to the dissolution of the House of Representatives to hold a general election.

The idea of enacting a special law surfaced after the government's "illegal occupation" of a land plot in the Sobe communications facilities in Okinawa started after the lease on the plot expired at the end of March.

Leases on land owned by some 3,000 landowners also expire next May. Concerning this, the government and the ruling parties feel a strong sense of crisis because Kadena Air Base, which is the U.S. Air Force's key facility, is among the U.S. installations occupying the land. A senior Foreign Ministry official said: "The operations of the Japan-U.S. security system will be affected [if the leases are not renewed]."

So far, the government has planned: 1) To exclude the security-related land expropriation duty from the functions assigned to local authorities in order for the government to take over the job; 2) to apply the government's land expropriation procedures to land occupied by not only the U.S. military but also the Self-Defense Forces; and 3) to submit to the autumn extraordinary Diet session a bills to either revise the existing law on special measures for use of military-occupied land or to enact a new law.

However, many in the government and the ruling coalition have begun to expect that Ota will change his attitude after the Supreme Court hands down its ruling.

Also, there is a prevailing view saying: "A confrontation between the central and Okinawa prefectural governments should be avoided," (according to a senior Liberal Democratic Party official).

Some point out that even if the governor changes his policy, it will be technically impossible to avoid the expiry of leases next May. However, many think that even if that is the case, the government should separate the issue of renewing the leases from other Okinawa problems and deal with it as part of the overall review of state functions assigned to local governments.

Japan: Kato Apologizes to Ota for 'Lack of Efforts' on Bases

OW2408091196 Tokyo KYODO in English
0848 GMT 24 Aug 96

[FBIS Transcribed Text] Naha, Japan, Aug. 24 KY-ODO — Liberal Democratic Party (LDP) Secretary General Koichi Kato apologized Saturday to Okinawa Gov. Masahide Ota for what he termed the central government's lack of efforts to reduce U.S. military bases in Japan's southernmost island prefecture.

Kato also told Ota that the government will do its best to expand the economy of Okinawa, Kato told reporters after the meeting with Ota.

On Friday, the three ruling coalition parties — the LDP, the Social Democratic Party and New Party Sakigake — agreed on measures for promoting of economy of Okinawa.

The measures include special funds for development in Okinawa to promote the island prefecture as a free-trade zone and to subsidize airport fees to give airlines leeway in slashing ticket prices.

Ota urged Kato to make efforts for realization of the measures and reduction of U.S. bases in the prefecture, the high-ranking LDP official said.

Kato's visit came prior to a Sept. 8 referendum to ask local residents whether they support a reduction in U.S. bases in the prefecture.

Okinawa is demanding the complete withdrawal of all U.S. troops and military installations by the year 2015.

Although consisting of less than 1 percent of Japan's total land area, the prefecture is home to 75 percent of all the land in Japan reserved for U.S. military use.

Japan: Okinawa Deputy Governor Comments on Base Issue

OW2508124396 *Naha RYUKYU SHIMPU*
in Japanese 23 Aug 96 Morning Edition p 1

[FBIS Translated Text] Concerning the Okinawa base issue, Okinawa Deputy Governor Masanori Yoshimoto said on 22 August that, taking into consideration the development of consultations between the Japanese and U.S. Governments and each ruling party's measure to handle the issue, "there is hope of settling the Okinawa base issue, including the return or relocation of other U.S. military bases, in September." In this way, Yoshimoto indicated his view that the issue will come to a climax next month. His view was disclosed in his speech explaining the current status of the base issue to senior prefectural government officials at the meeting of the Okinawa prefectural committee on studying development of Okinawa held on the morning of 22 August. The central government also indicated its intention to settle the issue before the expected opening of the extraordinary Diet session in October. The issue is most likely to be settled before the announcement of the final report of the Special Action Committee on Okinawa (SACO) originally scheduled for November.

The following are Yoshimoto's grounds for seeing the prospect of settling the base issue in September: 1) The central government handled the issue along with the action program for base return worked out by the Okinawa prefectural government [OPG]. And, all but three of the requests suggested by the OPG to settle in the first step by 2001 have been incorporated into the interim report of the SACO. 2) The return of the two bases that were supposed to be studied in the second step by 2010 have already been decided. 3) While the local people strongly oppose the precondition that many bases earmarked for return will be relocated to or consolidated with bases in Okinawa, the relocation site of the Marine Corps Air Station Futenma will be decided on at the SACO working panel in early September. 4) The final agreement on the issue will be reached at the meeting of two plus two (the Japan-U.S. Consultative Committee on Security), which will be the ministerial talks scheduled on 19 September.

Moreover, regarding the domestic issue, Yoshimoto reported: "Among the three ruling parties, the Social Democratic Party has already worked out a new party draft to settle the Okinawa base issue, including the measure to promote development of Okinawa. The Liberal Democratic Party is now studying the final draft, and considering having urgent projects incorporated into the budget for the next fiscal year. The New Party Sakigake showed a strong interest in the OPG's new

measure to promote industries in Okinawa such as deregulations, and the Action Program for base return."

Japan: Base Landowners To Boycott Okinawa Referendum

OW2308123696 *Naha OKINAWA TIMES* in Japanese
22 Aug 96 Morning Edition p 3

[FBIS Translated Text] The Okinawa Prefectural Federation of Military-Use Landowners' Association [known as Tochiren] (with a membership of approximately 28,000 and Kaoru Shinjo as chairman) has decided to take a wait-and-see attitude toward the upcoming prefectural referendum to ask the people if they approve or disapprove realignment and reduction of the U.S. military bases in Okinawa and review of the Japan-U.S. Status of Forces Agreement [SOFA]. Tochiren has noted that it will not restrict landowners from making individual decisions to participate in the referendum. However, the decision virtually indicates the association's intention to "abstain from voting," becoming the second organization that has decided to boycott the referendum, following the All Okinawa Garrison Forces Labor Union (known as Okichuro). Prior to the public notification, it is unavoidable that these organizations' decision on "abstention from voting" will affect the movement urging the people to participate in the referendum.

The wait-and-see policy was decided at a meeting of the board of directors on 15 August, and 26 municipal landowners' associations in Okinawa have already been notified of the decision.

The notification says: 1) Since the extent, details, and conditions of realignment and reduction of bases are not specific, it is hard to express one's intention to approve or disapprove. 2) The municipal and prefectural assemblies have already adopted the two questions to be asked in the prefectural referendum as the consensus of the Okinawan people, and made requests to the Japanese and U.S. governments to settle the issue. Therefore, if the purpose is to send the result to the both governments, the referendum will have no significance. The important thing for the government is to promote the measures to effectively use the returned land for the development of Okinawa. 3) The prefectural referendum ordinance was not unanimously adopted in the prefectural assembly, and the questions themselves in the referendum are not appropriate enough to inquire approval or disapproval.

Tochiren has shown its opposition to the International City Plan and the Action Program for return of bases worked out by the prefectural government. At the meeting, some members made firm remarks, stressing that "the association should start an aggressive movement against the referendum." Moreover, some indicated their

"approval of the review of the SOFA, but disapproval of the realignment and reduction of bases." As a result of the discussion, the board of directors decided to take a wait-and-see attitude.

Tochiren did not participate in the Okinawa people's rally calling for return of bases on 21 October 1995. Behind this lies the landowners' concerns that if the base return plan is actualized, they may lose land rent, which is important for them to make a living. However, Tochiren concludes that the present decision was not made because of their concerns but because "the voting is meaningless."

Concerning the impact of Tochiren's decision, the prefectural referendum promotion council (led by Seiichi Sakugawa) takes a calm attitude, noting that "taking Tochiren's view into consideration, the decision was predictable." However, the council is concerned that "it will give a lot of influence upon the referendum if families and relatives of base employees and landowners who have concerns over the base return should also abstain from voting." The council stresses that "it is a matter of course that there are opinions for and against the issue. Those who disapprove should indicate their intention by voting. We would like the landowners to seriously consider the use of land after the return."

Masaaki Aguni, director of the Okinawa Governor's Executive Office, said: "Since the decision was made by the organization, the prefectural government is not in a position to make any comments. The government will merely continue appealing to the people to participate in the referendum, as in the past."

Japan: Former Bureaucrat Plays Role in Solving Okinawa Issue

OW2608092896 Tokyo EKONOMISUTO in Japanese 3 Sep 96 p 15

[FBIS Translated Text] The issues of reorganization and reduction of U.S. military bases on Okinawa has become a major political focal point. Along with this, a person, whom nobody expected, is acting as a point of contact between the central government and the prefecture. He is Jun Shimokawabe, former administrative vice minister of the National Land Agency. He is nicknamed the "development emperor" because he was involved in all the national land development projects of postwar Japan. Currently, he is a director of the "Tokyo Kaijyo Research Institute," which is a think tank affiliated with the Tokyo Marine and Fire Insurance Co., Ltd.

In 1972, he was a director of the Development Bureau of the Economic Development Agency just before the Tanaka cabinet was formed and he was closely associated with the "Plan to Rebuild the Archipelago of Japan"

too. He has been on friendly terms with Prime Minister Ryutaro Hashimoto and Chief Cabinet Secretary Seiroku Kajiyama, both of whom had direct relations with [former prime minister] Kakuei Tanaka. Since before the reversion of Okinawa, Shimokawabe has been giving Okinawa advice regarding the development of the prefecture and he knows many influential people in Okinawa, including Governor Masahide Ota. Because of this, he has been asked to play the role of mediator between the central government and Okinawa Prefecture, which have tended clash with each other recently.

Shimokawabe held two meetings, one in July and the other in August, with Prime Minister Hashimoto and Chief Cabinet Secretary Kajiyama at the Prime Minister's Official Residence and talked about the Okinawan issue. It seems that Shimokawabe gave advice to Hashimoto and Kajiyama on how to deal with the prefectural referendum, the contents of economic promotion measures, and other matters. It was just not putting an influential man related to the Tanaka administration in the right place. The reality was that the government relied on the "retired super bureaucrat," who is still actively involved in the reconstruction from the disasters caused by the great Hanshin and Awaji earthquakes and seeking solutions to the issue of relocating government ministries and agencies outside of Tokyo.

The people in Okinawa are becoming increasingly distrustful of the government, saying that the agreement between Japan and the United States on the "return" of the U.S. military airport [Marine Corps Air Station Futenma] is merely a relocation of the base within the prefecture. Will Shimokawabe really be able to play the role of mediator successfully?

Japan: FY97 General Account Requests To Top 80 Trillion Yen

OW2608123796 Tokyo KYODO in English 1227 GMT 26 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 26 KYODO — General account budget requests for fiscal 1997 are estimated to total 81.44 trillion yen, topping 80 trillion yen for the first time despite resource restraints, Finance Ministry officials said Monday.

The requested sum represents an 8.4 percent growth from the initial allocation for the fiscal 1996 budget that covers from April, the officials said.

The 8.4 percent rise stems from sharp increases in national debt-servicing costs and tax grants to local governments, the officials said.

Meanwhile, requests for fiscal 1997 general operating expenditure, a core spending category, are expected to come to 44.62 trillion yen, up 3.4 percent, the slowest growth in seven years, they said.

This category covers general account spending that excludes obligatory expenses like national debt servicing and local government tax grants.

Fiscal 1997 tax revenues are estimated to rise 11 percent to 60.33 billion yen thanks mainly to a planned hike in the consumption tax rate from the present 3 percent to 5 percent in April next year, they said.

The estimate is also based on the assumption that the government will abolish 2 trillion yen worth of special income and residence tax cuts implemented in fiscal 1995 and 1996 to help rev up the sluggish economy, the officials said.

To help bridge the 20 trillion yen gap between expenditures and revenues, the government will almost certainly issue deficit-financing bonds for the second consecutive year, they said.

The Finance Ministry will accept fiscal 1997 budget requests from government ministries and agencies through Friday.

Based on the requests, the Finance Ministry will compile a draft fiscal 1997 budget by the end of December.

Ministry sources said government ministries and agencies are expected to make requests for general operating expenditures up to their ceiling amount of 44.62 billion yen.

Since the ministry is seeking to make fiscal 1997 the first year of fiscal reconstruction, it plans to reduce spending and set the total fiscal 1997 general account budget at less than 80 trillion yen, the sources said.

By some measures, Japan's fiscal situation is the worst among the Group of Seven industrialized countries.

Its outstanding balance of government bonds is estimated to total 240 trillion yen by the end of next March, equivalent to nearly 50 percent of the nation's gross domestic product.

According to Finance Ministry officials, national debt-servicing costs are expected to climb 11.6 percent to 18.27 trillion yen to cope with a huge redemption of previously issued government bonds.

The national debt-servicing costs include 3.6 trillion yen of mandatory allocation of general account funds to the national debt consolidation fund, the special account created to secure resources for redeeming government bonds, the officials said.

They also include 617.4 billion yen allocated from fiscal 1995 budgetary surplus funds to help secure redemption costs, the officials said.

Tax grants to local governments are estimated to rise 26.8 percent to 17.25 trillion yen partly because local governments will receive bigger funds in line with the planned hike in the consumption tax rate, the ministry officials said.

The proportion of consumption tax revenues allocated to local governments will rise from 24 percent to 29.5 percent in April 1997, they said.

The government will also maintain 1.3 trillion yen worth of spending quotas introduced to funnel proceeds from sales of government-held Nippon Telegraph and Telephone Corp. (NTT) shares to social infrastructure improvement projects, the official said.

But the quota will actually be financed by issuing government bonds since it is difficult for the government to sell NTT shares amid the prolonged slump in the stock market, ministry sources said.

The government plans to include a new spending quota totaling 300 billion yen in the fiscal 1997 budget to help promote structural reforms of the Japanese economy.

The new quota is expected mainly to be used to help basic research and to improve Japan's telecommunications infrastructure. The projects to be covered by the quota will be decided by Prime Minister Ryutaro Hashimoto at his own discretion.

Japan: Commentator Unhappy With Bureaucrat-Led Politics

*OW2408041696 Tokyo SANKEI SHIMBUN
in Japanese 21 Aug 96 Morning Edition p 6*

["Sound Argument" column by political commentator Taro Yamada: "Bureaucrat-Led Politics Goes Against Division of Three Powers"]

[FBIS Translated Text] They Do Not Believe in Democracy

I say bureaucrat-led politics is wrong because bureaucrats do not believe in democracy. They try to control not only the executive branch but also the nation's politics and economy because they do not believe in the democratic system. As a matter of fact, Japan's political system is characterized by bureaucratic control over both the administrative and legislative branches. This goes against the principles of parliamentary democracy and the division of three powers — the administrative, legislative, and judicial branches. Moreover, it is a violation of Constitution Article 41, which declares "the Diet shall be the highest organ of state power."

In 1889, Kiyotaka Kuroda, Japan's second prime minister, addressed the opening meeting of the first Imperial Diet session: "The government will keep its distance from political parties to manage the nation from a supraparty stance." The Kuroda cabinet, later called the "supraparty cabinet," was formed by faction-oriented bureaucrats who did not have much respect for the opinions of political parties. Such bureaucrat-led governments later sought tieups with the military authorities, and ran into World War II. In the early stages of building a modern country, dictatorship was justified to a certain extent for national development. However, bureaucrats' mentality did not change even under the postwar democratic system. They control the nation's politics and economy because those puffed-up people think the nation will die if they do not take care of it.

Bureaucrats can tame politicians with votes and money under their control. Retired bureaucrats often enter the political sector to assist their home ministries to lead domesticated politicians. When a project team of the three coalition parties worked out a report calling for reform of the Ministry of Finance (MOF), Kaoru Yosano, a Liberal Democratic Party (LDP) policymaker, did not accept it. Defects of the MOF's supervisory system were proven in the Yamato Bank scandal and the "jusen" (housing loan firms) problem. Yosano's attitude shows how the LDP is inveigled by bureaucrats.

House of Representatives Speaker Takako Doi complained that House of Representatives Standing Committee secretarial posts are all occupied by senior officials dispatched from major ministries, and stressed they must be filled by "real" House Secretariat personnel. It is an unbelievable story, but bureaucrats have been monitoring legislative activities at the center of the legislative branch. Anytime bills seem to conflict with interests of bureaucrats, they rewrote ambiguous articles to ruin the bills. As long as the law is ambiguous, bureaucrats can freely interpret it at their own discretion.

Bureaucrats Delayed Enactment of Product Liability Law

It is widely known that bureaucrats prepared LDP campaign pledges. Even policy speeches of the prime ministers have been products of bureaucrats except for minor phraseology. The LDP Policy Research Council has totally become a branch office of ministries. As bureaucrats have a monopoly on information, policymaking mechanisms are inevitably placed under their control.

Japan adopted the publicly elected gubernatorial system after World War II, scrapping the governmental nomination system in the name of local autonomy. Yet, local governments are still under control of former Internal Ministry agencies, such as the Home Affairs and Con-

struction Ministries. About 70-80 percent of duties of prefectural governments is paperwork for the national government, and about 50 percent of municipalities is for prefectural governments. In other words, local governments are completely weakened to branch offices of national government agencies. Local governments depend on the national government by about 70 percent for their revenue resources, and the national government has supervisory authority on every single subsidy. Local government heads have no final decision on expenditures except for construction of government buildings and museums. This is why local governments' expenditure practices always look so silly.

Bureaucrats do not believe in market economy principles. Their stance is that the government must kindly protect the market because the private sector can ruin everything without governmental supervision. Based on this position, bureaucrats create every possible safety standard and regulation to control the market. They make 100 regulations to cover 100 commodities. Under such a system, the government does not approve the 101st commodity, or just kicks out one of the existing commodities to accept the newcomer. In the common sense of the Western free market system, the most common way to regulate market activities is to enact a product liability (PL) act. The strongest deterrent to defective products is a system to impose fatal fines on the producer of defective goods. Nevertheless, in Japan, the Product Liability Law was not enacted until the Hosokawa-led coalition period because both bureaucrats, who do not want to lose authority, and LDP politicians, who represent business sector interests, hated the legislation.

Bureaucratic System Should Be Campaign Issue for Next Election

Japan's buildings cost 30 percent more than in the international market, and civil engineering works are twice as expensive. This is because public bids are made in an extremely unclear system called pre-nominated competition. Bid-rigging practices disturb efficient use of tax money. Competitive bids and big fines to violators are international trends; however, bureaucrats and dietmen dealing with the construction sector do not want a transparent bid system.

The financial market is just like that of a socialist country. The government collects funds from postal savings and post office life insurance, and spreads them to 42 government-affiliated corporations, including 13 semigovernment financial institutes. Every year, a 50 trillion yen-fund is gathered by the government, and the total outstanding credit reaches 400 trillion yen. The total amount of postal savings exceeds 200 trillion

yen, and this is as much as the sum of fund raising capacity of all city banks. No other country has such a huge national bank. The public financial institutes give loans to underqualified projects because they have too much money. The former Japan National Railway (JNR) went bankrupt as a result of too much dependence on public loans. Today, the entire government is becoming another JNR.

The bureaucrats' irresponsible nature was exposed to the public through the jusen issue and HIV infection from an approved medicine.

Bureaucrats ruined Japan's democracy. Those helpless people still believe their actions are for the public's sake. As a result, the bureaucrats denied market principles, and Japan was changed to a "weird country." The weird system is making friction in the world economic system, and raising living costs in Japan. In the next general election, I hope each party will bring up restructuring of the nation's ruling and economic systems as the main campaign issue.

Japan: MITI To Give Priority to Fostering New Industries

OW2608082196 Tokyo KYODO in English
0742 GMT 26 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 26 KYODO — The Ministry of International Trade and Industry (MITI) will give priority in its fiscal 1997 spending requests to projects to foster new industries and secure jobs, MITI officials said Monday.

The step is intended to cope with growing concerns over the "hollowing out" of Japanese industry amid the yen's appreciation against the dollar, they said.

Japanese companies are now accelerating moves to shift production facilities to southeast Asia and other regions with cheaper costs, raising concerns over a deterioration in the domestic labor market.

As one of the major pillars of its budgetary spending requests for the fiscal year starting next April, MITI will seek 395.9 billion yen to help promote research and development, the officials said.

The sum is 16.9 percent larger than the appropriations allocated under the initial fiscal 1996 budget.

The requested fiscal 1997 research and development expenditures include 4.25 billion yen in subsidies for developing technologies to create new industries as well as 3.2 billion yen for helping in development of advanced electronics technology, they said.

For measures to help prevent the hollowing out of regional industries, meanwhile, MITI will ask for a total of 27.7 billion yen, the officials said.

The figure is 7.7 times larger than the money earmarked for such steps in fiscal 1996, they said.

For development of technologies for building a "highly information-oriented society in the 21st century," the ministry will also seek 25.4 billion yen, up 92 percent, the officials said.

That includes 1.2 billion yen for measures to promote electronic commerce trading and 2.5 billion yen to improve the telecommunications infrastructure of small and medium-sized companies, they said.

MITI will also call for 9.6 billion yen for interest-free loans to be made by the governmental Small Business National Corp. to municipal foundations created to help venture companies and entrepreneurs which are facing fund shortages, they said.

Under ceilings set by the finance ministry, each government ministry and agency will make fiscal 1997 budgetary appropriations requests by the end of August.

Based on the requests, the finance ministry will compile a draft fiscal 1997 budget by the end of December.

Japan: Panel Urges R&D To Fight Industrial Hollowing-Out

OW2308125096 Tokyo KYODO in English
1240 GMT 23 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 23 KYODO — An advisory panel to Prime Minister Ryutaro Hashimoto proposed Friday that Japan urgently step up its research and development (R&D) efforts to create new industries to counter the ongoing exodus of Japanese manufacturers seeking lower personnel costs overseas.

The panel released to the press a report calling for prompt moves to enhance information-related and other infrastructure to help companies more smoothly conduct their business activities in Japan.

The report also called for implementing special capital outlays designed to expand the scope of fields to which certain new technologies can be applied.

To implement these recommendations, the report said, "The government should place emphasis on marshaling its resources in the budgetary, taxation and fiscal investment and loan program fields."

The government should also legislate necessary laws to carry out these countermeasures, it proposed.

The panel is a subcommittee of the premier's advisory council for pushing the Japanese economy's structural reforms. The proposals have come as a growing number of Japanese makers are moving production facilities and jobs overseas to bypass the strong yen and higher domestic personnel costs.

As mid- to long-term goals of less urgency, the panel called for a softening of government regulations to encourage companies to acquire land for building more new factories at home.

The panel was originally scheduled to release a midterm report putting together its recommendations by the end of August.

But it will postpone until January the planned release of its midterm report due to what one official described as a "lack of deliberations" on the issues, officials said.

Japan: LDP's Kamei Says Shinshinto May Vote for Hatoyama in Diet Poll

OW2508125996 Tokyo KYODO in English
1231 GMT 25 Aug 96

[FBIS Transcribed Text] Miyazaki, Japan, Aug. 25 KYODO — A senior member of the Liberal Democratic Party (LDP) said Sunday the main opposition party Shinshinto (New Frontier Party) may vote for maverick politician Yukio Hatoyama in a Diet poll to pick a prime minister after the next general election.

Shizuka Kamei, former transport minister and now head of the LDP's publicity department, made the comment in connection with moves led by Hatoyama to form a new political party comprising liberal forces.

Hatoyama, secretary general of New Party Sakigake, the smallest of Japan's three ruling coalition parties, indicated earlier in the day he would like to exclude veteran politicians, including party head Masayoshi Takemura and former Prime Minister Tomiichi Murayama, from the planned new party.

Kamei said the move is designed to prevent senior pro-LDP coalition members from assuming leadership roles in reshaping the political landscape in order to pave the way for Hatoyama's election as premier.

"The possibility is great that Shinshinto will vote for Hatoyama (in a prime ministerial election)," he added.

Turning to another topic during a speech in Miyakonojo, Miyazaki Prefecture, southwestern Japan, Kamei said his party may consider freezing a government-decided hike in the consumption tax from 3 percent to 5 percent from next April.

"We have no intention to go ahead simply because it has been decided," he said. "We may start discussions

on a possible freeze after taking economic activity and people's living conditions fully into account."

Kamei was apparently trying to counter Shinshinto's move to block the tax hike ahead of a general election, which must be held before next July but is widely expected soon.

Japan: Hatoyama Wants Sakigake Leader To Stay Out of New Party

OW2508092096 Tokyo KYODO in English
0855 GMT 25 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 25 KYODO — Maverick politician Yukio Hatoyama, secretary general of the smallest of Japan's three ruling coalition parties, said Sunday he does not want party leader Masayoshi Takemura to join a new party that he plans to found next month.

"I will tell him (Takemura) that I want him to refrain from participating in the founding of the new party," Hatoyama told reporters in referring to an upcoming meeting with Takemura slated for Tuesday.

Hatoyama said that if Takemura does not accept the request, he will found the new party in mid-September after bolting from New Party Sakigake, the smallest partner in the ruling tripartite coalition with the Liberal Democratic Party (LDP) and the Social Democratic Party (SDP).

He said Takemura alone is to blame for Sakigake's negative image and that the two other key figures promoting the new party, his younger brother Kunio Hatoyama and Hajime Funada of the main opposition party Shinshinto (New Frontier Party), believe that the new party will have more voter appeal without him.

The Hatoyama brothers and their supporters are critical of Takemura for his involvement last year as then finance minister in mapping out a controversial government scheme to wind up failed "jusen" housing loan companies using taxpayers' money.

But Hatoyama senior did not rule out the possibility that Takemura will be allowed to join the new party at a later stage. "It will be up to each individual to make the decision. Funada and the others will certainly not oppose such a move," he said.

Hatoyama also indicated that the new party could vote with Shinshinto if that party makes good its threat to raise a no-confidence motion against Prime Minister Ryutaro Hashimoto in an extra Diet session expected to be convened in October.

"We are faced with the choice to back or to oppose a no-confidence vote. But it cannot be that the new

party is being perceived as an extension of the LDP-SDP-Sakigake coalition," he said in suggesting that his soon-to-be-founded party will try to oust the Hashimoto government if its demands for policy changes are not endorsed.

While expressing hopes that his brother and Funada will become founding members of the new party, Hatoyama said he feels like asking SDP leader Tomiichi Murayama to also "refrain" from joining it.

Japan: Sakigake Said 'Making Last-Ditch Efforts' To Avoid Split

OW2308131896 Tokyo KYODO in English
1301 GMT 23 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 23 KYODO — New Party Sakigake continued making last-ditch efforts Friday to avoid a split over policies to form a new party, Sakigake sources said.

Sakigake's deputy chief Hiroyuki Sonoda discussed the issue separately with party leader Masayoshi Takemura and Yukio Hatoyama, its chief secretary, focusing on whether a new party should consist of lawmakers who decide to join voluntarily or include all current members of Sakigake, the sources said.

Takemura and Hatoyama are likely to meet next week to try to break the impasse over the issue, they said.

Hatoyama, who has insisted on forming a new party with lawmakers joining at their own volition, is expected to decide on whether to quit Sakigake soon, considering possible members and the size of a new party, they said.

Senior Sakigake officials, including Economic Planning Agency chief and party deputy chief Shusei Tanaka, have drawn up a four-point proposal to form a new party, stating that all Sakigake members should join the new party.

The proposal comes as some young Sakigake members favoring a new party initiated by Hatoyama have expressed opposition to excluding Takemura from the party, the sources said.

Hatoyama wants Hajime Funada, a lawmaker of the main opposition party Shinshinto (New Frontier Party), to join the new party, but Funada is reluctant to do so if the party also includes Takemura.

Some of his colleagues have asked Hatoyama to be cautious about quickly seceding from Sakigake to form a new party, with one saying, "Only two or three Sakigake members will follow him and a new party will have a strong color of the Social Democratic Party (SDP)."

On the other hand, some supporting members have urged Hatoyama to form a new party even if only Kunio Hatoyama, his brother and a Shinshinto lawmaker, and Funada join as initial members, the sources said.

Former Hokkaido Gov. Takahiro Yokomichi, who is believed to have discussed the forming of a new party with Hatoyama, told KYODO News in Fukuoka Prefecture that he does not mind if the whole of Sakigake joins the new party, even though he thinks that in principle it should consist of individuals.

Sakigake is the smallest bloc in the ruling coalition, which also includes the Liberal Democratic Party and the SDP.

Japan: Takemura Backs Hatoyama as New Party Leader

OW2408112396 Tokyo KYODO in English
0940 GMT 24 Aug 96

[FBIS Transcribed Text] Omihachiman, Japan, Aug. 24 KYODO — The head of the smallest ruling coalition partner New Party Sakigake, Masayoshi Takemura, said Saturday he will support Sakigake Chief Secretary Yukio Hatoyama to be leader of a new political party.

Takemura, former finance minister, made the remarks at a news conference in Omihachiman, Shiga Prefecture, western Japan.

"I'd like to see Chief Secretary Yukio Hatoyama be a powerful leader of a new party. I myself will join in efforts to create the new party and I will serve as a rear guard once the party is formed," he said.

Takemura also backed Hatoyama's position that it is up to the discretion of individuals whether to join the new group. Observers said Takemura's remarks underlined his compromise to prevent Hatoyama's leaving and head off a division of the party.

Takemura advised Hatoyama not to prevent sympathizers from outside the party from joining the new group, saying it is important for the new force to bring together as many competent personnel as possible.

His remarks were regarded as criticism against an appeal by Hajime Funada, a member of the main opposition Shinshinto (New Frontier Party), to exclude Takemura and former Prime Minister Tomiichi Murayama, chairman of the Social Democratic Party, from the new party.

In Utsunomiya, north of Tokyo, Funada, former director general of the economic planning agency, hinted at quitting the party to join the new group proposed by Hatoyama.

"I myself feel my position within Shinshintō has become very difficult, so I will make a decision (on whether to join the new party) at an appropriate time while paying attention to how the new party is formed," he said.

Hatoyama and six other legislators, including his younger brother Kunio who is a member of Shinshintō, have agreed to form the new party next month and expect some 25 lawmakers, mainly from Sakigake and the SDP, to join.

Sakigake and the SDP are part of the tripartite ruling coalition led by Prime Minister Ryutaro Hashimoto, president of the liberal democratic party, the coalition's main component.

Hatoyama and his colleagues want Punada to join the new party but Punada is opposed to the idea if the party includes Takemura and SDP chairman and former Prime Minister Tomiichi Murayama.

Takemura is seeking to change his party into a new group, possibly including some elements of the SDP.

Punada reiterated his call on Hatoyama to launch the new party without Takemura and Murayama.

The new party will be of no value if all Sakigake members join, he said.

Japan: Hatoyama's Rebuff Over New Party Upsets Takemura

OW2608080096 Tokyo KYODO in English
0625 GMT 26 Aug 96

[FBIS Transcribed Text] Itami, Japan, Aug. 26 KYODO — New Party Sakigake chief Masayoshi Takemura on Monday expressed displeasure at Sakigake Secretary General Yukio Hatoyama's remark that he does not want Takemura as a member of a new party Hatoyama is launching.

Takemura told reporters at Itami Airport in Hyogo Prefecture, "I'm surprised and can't understand why he made such remarks ahead of a meeting scheduled for Tuesday."

Takemura said he will discuss countermeasures with other Sakigake members in case the Tuesday meeting with Hatoyama is broken off.

On Sunday, Hatoyama said he does not want Takemura to join the new party that he plans to found next month.

He said Takemura alone is to blame for Sakigake's negative image and that the two other key figures promoting the new party, his younger brother Kunio Hatoyama and Hajime Punada of the main opposition party Shinshintō (New Frontier party), believe the new party will have more voter appeal without Takemura.

The Hatoyama brothers and their supporters are critical of Takemura for his involvement last year as then finance minister in mapping out a controversial government scheme to wind up failed "jusen" housing loan companies using taxpayers' money.

Earlier Monday, Hatoyama expressed his determination to quit Sakigake and found the new party, telling reporters, "I have to choose faith with the future of people, rather than faith with Sakigake."

Since Sunday, Hatoyama has contacted some members of two small groups in the Social Democratic Party (SDP) favoring the founding of the new party — "Soshikai" (meaning aiming at creation) and the liberal '96 — to coordinate steps for the launching.

Hirofumi Akamatsu of the Soshikai group informed Hatoyama of his intention to join the new party, SDP sources said.

Sakigake and the SDP are part of the tripartite ruling coalition led by Prime Minister Ryutaro Hashimoto, who is president of the Liberal Democratic Party, the coalition's biggest group.

Susumu Yanase of Sakigake told a press conference in Utsunomiya, Tochigi Prefecture, that he would join forces with Hatoyama in the new party.

"I will quit together if Hatoyama quits," Yanase said. He is the first Sakigake member apart from Hatoyama to express his intention to quit and join the new party.

Punada told reporters in Utsunomiya that he has yet to decide on whether to join the new party, pointing to the need for further policy coordination. Punada suggested, however, that he may quit Shinshintō, saying, "In the worst case, it could be possible that I become independent."

In Tokyo, Kunio Hatoyama expressed his intention to follow his brother's lead if he quits Sakigake to found the new party.

"If my brother secedes from his party, I'll also have to make a final decision," Hatoyama said.

Meanwhile, Chief Cabinet Secretary Seiroku Kajiyama, the top government spokesman, said he is keeping Prime Minister Hashimoto, who is on an official trip to Brazil, urgently informed of the developments concerning Hatoyama.

North Korea

DPRK: Spokesman on U.S. Forces 'Finding Fault'

SK2608071696 Pyongyang Korean Central
Broadcasting Network in Korean

2100 GMT 23 Aug 96

— DPRK-owned central radio network

[Corrected version of SK2308232696; explanatory note describes difference from original FBIS version]

[FBIS Translated Text] On 23 August, as the presidential election campaign is proceeding with earnest in the United States, and as some forces find fault with us and seek unjust political purposes, a spokesman of the DPRK Foreign Ministry gave the following answer to a question from a Korean Central News Agency reporter:

While the presidential election campaign is heating up in the United States, some forces are committing the unreasonable act of trying to improve their popularity, finding fault with us.

They promise they will suspend the supply of heavy oil and light-water reactors to us, and will stop the implementation of the DPRK-U.S. framework agreement and the process of improving bilateral relations on the pretext of nonexistent terrorism and the U.S. POW and MIA problem.

This is as good as telling us to suspend the nuclear freeze [haektonggyorul haejehago] promised in the framework agreement and do anything as we will.

If the DPRK-U.S. framework agreement is so troublesome to the United States, and if its breakdown is in U.S. interests, we do not feel like opposing their opinion.

We make it clear [changing tense of verb per monitor recheck] that we will make joint efforts with a U.S. administration that is willing to implement the DPRK-U.S. agreement, and that we have no intention to go through all the trouble of dealing with an administration that is not. Even if the DPRK-U.S. agreement breaks down, as some U.S. forces wish, we have nothing to lose.

Instead, all we have to do is continue to develop our independent nuclear energy industry with on our own funds, technologies, and raw material, free from any restrictions.

Some leading politicians in the United States raise unreasonable preconditions and threaten to suspend all negotiations with us, including the four-way talks. If this is true, we do not view it as bad.

We still have doubts about the four-way talks, the purpose and content of which are not clear, and we have no reason to be greatly interested in them.

As we have officially declared more than once, the feasible way to achieve lasting peace and security on the Korean peninsula is to conclude a tentative agreement

between the DPRK and the United States at an early date, just as we proposed.

The same is true with the joint exhumation of U.S. remains, one of the pending issues between the DPRK and the United States.

Through the first joint exhumation, we know that this work is very complicated and requires much labor.

However, we are striving to resolve this issue from a noble humanitarian stand, even though the hostile relations between the DPRK and the United States still remain.

If our efforts make the United States uncomfortable, we will stop them right now.

Who will win in the forthcoming presidential election in the United States is not our concern. However, we think those who mind the business of others for the sake of their popularity deserve criticism.

DPRK: Radio Flays Joint U.S.-ROK Aerial Exercises 21-22 Aug

SK2408120396 *Pyongyang Korean Central Broadcasting Network in Korean*
1200 GMT 23 Aug 96

— DPRK-owned central radio network

[FBIS Translated Text] According to a military source, the U.S. imperialist warmongers and the South Korean puppets conducted another round of a joint aerial exercise aimed at us as part of the criminal Ulchi Focus Lens joint military exercise on 21 and 22 August.

These war commotions, which were frantically staged daily in the skies over the Tokchok Island area in the West Sea [Yellow Sea] of Korea, which is located near enough for them to directly strike our facilities along the west coast, intensively mobilized some 30 ship-based assault planes and attack planes from the U.S. Pacific Fleet flown in from overseas bases and some 1,200 fighters from the U.S. 7th Air Force and the puppet Air Force.

This powder-reeking adventurous war exercise was a very dangerous provocative maneuver aimed at an urgent dispatch of air force units of the U.S. Pacific Fleet to combat on the Korean peninsula and at enhancing the actual joint strike combat capability for northward invasion between the U.S. Air Force and the puppet Air Force.

On 22 August, some 40 puppet Air Force fighters dispatched to the skies over the Kapyong area were mobilized for a support strike exercise for ground attack forces. A P-3 patrol plane that flew in from an overseas

base around 1030 [0130 GMT] the same day flew above the sea off Samchok, frenziedly engaging in marine espionage.

In the meantime, around 0950 [0050 GMT] on 22 August, a group of some 50 heavy tanks of the puppet Army was deployed on the border of Kumpa-ri, Paju and advanced toward the Military Demarcation Line (MDL), firing some 70 rounds from tank guns, thus displaying a frenzy for northward invasion.

Moreover, on that day the 105mm and 155mm artillery units of the puppet Army that were mobilized and deployed in the area of Kanjon-ri, in Inje County, Sangsari and Kwanu-ri, Chorwon County of South Korean Kangwon Province, and Oksan-ri, Yonchon County, Kyonggi Province, along with armed bandits of the puppet Army that advanced and were deployed in the area of the front line north of Chokko-ri and Panjong-ri, Yonchon County, and Yongsan-ri and (Pangmok-ri), Paju, frenziedly fired toward the MDL some 2,850 rounds of bullets and shells from rifles and guns, provoking us very much.

Because of the reckless aggressive war maneuvers of the U.S. imperialist warmongers and the South Korean puppets, a dangerous situation has been created on the Korean peninsula at present, in which a war could break out at any time.

The U.S. imperialists and the Kim Yong-sam ring should squarely see that their futile fire game will only bring their ultimate destruction, and should act with discretion.

DPRK: Radio Reports on Departure of U.S. Congressman Hall 24 Aug

SK2608040596 Pyongyang Korean Central Broadcasting Network in Korean

1300 GMT 24 Aug 96

— DPRK-owned central radio network

[FBIS Translated Text] U.S. Congressman Tony Hall and his party returned home by airplane on 24 August. Functionaries concerned saw them off at the airport.

DPRK: Daily Denounces Plan for 'Joint Military Drill'

SK2608035196 Pyongyang KCNA in English

0328 GMT 26 Aug 96 — Official DPRK news agency

["What Is Joint Military Game Aimed At?" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 26 (KCNA) — The United States and Japan plan to stage a joint military drill for two weeks in November in the East Sea [Sea of Japan] of Korea involving the

carrier "Independence" and many other warships and planes and 30,000 military personnel of the U.S. forces and the three services of the Japanese "Self-Defense Forces."

Commenting on this, an analyst of NODONG SINMUN today says:

When the U.S. and Japanese reactionaries announced this plan, they said that the military drill is an annual game and is not targeting any special object. But this is nothing but a pretext to conceal the criminal nature of the war game.

The Japan-U.S. joint military game is wholly aimed at stifling the DPRK with arms.

Particularly, another war drill of Japan supplying materials and fuel needed for military actions of the U.S. forces will be staged for the first time simultaneously with the joint military game according to a Japan-U.S. pact on mutual free supply of goods.

The United States intends to use the pact for the first time in Korean war.

The frantic military games staged by the U.S. warmongers around the Korean peninsula under the pretext of fictitious "military threats" from the DPRK show that the United States is the very one who is aggravating the tension on the Korean peninsula.

DPRK: NODONG SINMUN Denounces 'Nuclear Ambitions' of Japan

SK2408051896 Pyongyang KCNA in English

0416 GMT 24 Aug 96 — Official DPRK news agency

["Deeply-Rooted Nuclear Ambition" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 24 (KCNA) — It has been brought to light that Japan conducted an atomic bomb development test at a chemical plant in Hungnam, Korea towards the end of World War II.

NODONG SINMUN today says this helps people clearly know that Japan's nuclear ambition is deeply rooted and its nuclear armament has a long history.

The analyst continues:

Japan is trying to realise the nuclear ambition it could not during the world war.

The Japanese reactionaries intend to equip Japan with nuclear arms and build it into a nuclear superpower, dominate Asia by dint of strength and extend their military influence all over the world.

The ruling quarters of Japan advertise "three non-nuclear principles" and behave as if they had nothing to do with nuclear issue, but nobody is taken in.

Though they call for "checking the nuclear development" of someone and "ban on nuclear tests," this is a trick to conceal their historically projected nuclear armament.

They must stop their criminal moves for nuclear armament and nuclear power building, mindful of the grave consequences of these moves.

DPRK: KCNA Denounces Kim Yong-sam for Liberation Day Remarks

SK2408105796 *Pyongyang KCNA in English*
1048 GMT 24 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 24 (KCNA) — The traitor Kim Yong-sam in his "address marking the August 15 liberation day" referred to "policy toward North Korea" and "four-way talks." He talked about "stability" and "isolation" of the North and called for "unification" and "peace."

He said "agreement between the authorities of the North and South of Korea on economic cooperation should precede the "four-way talks."

In a nutshell, he intended to squeeze in the DPRK-U.S. negotiation and fish in troubled waters so as to improve his image and prolong his days as a colonial stooge. The unprecedented-in-scale August 15 bloodshed and the Ulchi military maneuvers indicate that his "address" is full of deception.

His call for "four-way talks" is a trick to conceal his war preparations and separatist moves.

It is a stark fact that all issues related to peace and security on the Korean peninsula can be settled only by the DPRK and the United States. The South Korean puppets are neither justified nor qualified to meddle with them. The United States must no longer accept the puppets' complaints but respond to our just proposal for a tentative agreement at an early [sentence as received].

DPRK: 'Bellicose Behavior' of Kim Yong-sam Criticized

SK2508064396 *Pyongyang KCNA in English*
0635 GMT 25 Aug 96 — Official DPRK news agency

["Paper on Kim Yong-sam's Bellicose Behavior" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 25 (KCNA) — The traitor Kim Yong-sam showed up at the "national wartime military command post" and the "wartime command post of the South Korea-U.S.

Combined Forces Command" on August 22 to inspect the Ulchi Focus Lens joint military maneuvers and call for making "thorough-going drills to cope with a new situation every year," perfecting the "plans and regulations" and strengthening the South Korea-U.S. "joint operation preparedness."

NODONG SINMUN today denounces this as an anti-national, anti-reunification bellicose act revealing his sinister intention to turn the atmosphere of national reconciliation, unity and reunification caused by the August 15 pro-reunification events into an atmosphere of confrontation and war and unleash a war against the North at any cost.

The news analyst says:

Kim Yong-sam's frenzy for confrontation and war with the North is an open challenge to the nation's patriotic desire for reunification and a malignant provocation against the North.

Unless Kim Yong-sam, the fascist tyrant and warmonger, is removed, the South Korean people cannot avoid the fate of falling victims to massacre and our nation will fall a victim to nuclear war started by outside forces. The conclusion is that Kim Yong-sam, who stands in the way of national reconciliation, unity, peace and peaceful reunification, must be overthrown without delay.

Kim Yong-sam must immediately stop the adventurous war games intended to plunge the nation desirous of peace and reunification into nuclear scourge and step down as demanded by the entire nation.

DPRK: KCNA on Kim Yong-sam Remarks on Preparedness for War

SK2408051996 *Pyongyang KCNA in English*
0403 GMT 24 Aug 96 — Official DPRK news agency

["Kim Yong-sam, Fascist and Warmonger" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 24 (KCNA) — The traitor Kim Yong-sam showed up at the "National Wartime Military Command Post" and the "Wartime Command Post of the South Korea-U.S. Combined Forces Command," the venue of the '96 Ulchi Focus Lens joint military maneuvers, on August 22 and called for strengthening the preparedness for war, a radio report from Seoul said.

At an "emergency cabinet meeting" on August 20, the puppets examined the "command post exercise" to cope with a possible "all-out war and crisis on the Korean peninsula."

They are carrying on the frantic military maneuvers on the pretext of "possible provocation by the North" while

harshly cracking down on the South Korean students, branding them as "pro- North forces," in the wake of the August 15 grand festival for peace and peaceful reunification of the country.

By doing so, they aim to justify their fascist outrage and provocative military maneuvers.

What is ridiculous is that the Kim Yong-sam group are crying out for "dialogue" while repressing the patriotic struggle of students and conducting frantic war exercises.

Dialogue and war exercise are incompatible.

DPRK: Radio Denounces Kim Yong-sam's View on Four-Way Talks

SK2508004196 Pyongyang Korean Central Broadcasting Network in Korean

1100 GMT 24 Aug 96

— DPRK-owned central radio network

[FBIS Translated Text] The traitor Kim Yong-sam referred to his policy toward the North and the four-way talks while making a congratulatory speech to mark 15 August [liberation day]. Here, the traitor made a preposterous remark about someone's stability and isolation, and once again brazenfacedly engaged in sophistry by talking about reunification and peace.

In particular, the traitor made a presumptuous remark referring to the issue of the four-way talks, saying that they should be preceded by an agreement between the authorities of the North and South regarding economic cooperation [tukhi yoktonun sajahodam munjerul ununhamyonso, kyongje hyomnyokkwa kwallyonhan nambuk tanggukchaganui habuiga chonje toeyoya handago chujenomun sorirul haessumnida].

Regarding the traitor's long-winded talk, in a nutshell, it is nothing but an attempt to squeeze in at the DPRK-U.S. negotiation table so as to improve his image, which has become the target of contempt as a colonial stooge, and to allow this fish in troubled political waters to prolong the rest of his doomed days. To achieve this, the traitor nagged the master to come forward with the issue of the four-way talks, once again babbling conscience-stricken nonsubstantial remarks such as peace and reunification.

However, after seizing power, the traitor Kim Yong-sam carried out anti-republic confrontational maneuvers more persistently than his former military dictators, and frenziedly carried out maneuvers to increase arms and war exercises to invade the North. Thus, he cannot by any means be free from the crime of driving North-South relations to their worst confrontational phase.

The unprecedented 15 August bloodshed incident and the recently held Ulchi war exercise indicate the traitor's speech is preposterous and full of deception. The four-way talks which the traitor babbles about are nothing but propaganda to conceal his anti-peace war maneuvers and national separatist moves.

It is a stark fact that all issues related to peace and security on the Korean peninsula can be settled only by the DPRK and the United States. There is no justification or qualifications for the puppets to meddle here.

We have already put forth the proposal for a peace agreement between the DPRK and the United States; on 22 June, we put forth the proposal for the conclusion of a tentative agreement. If the proposal for our concrete tentative agreement is realized, an epoch-making situation will occur which will ease tensions on the Korean peninsula and achieve peace. In addition, the preconditions to realize reunification through the confederal system will be provided.

The United States should not pacify [orumanjida] the puppets, but should respond to our just proposal for concluding a tentative agreement as soon as possible.

DPRK: Unions Denounce 'Suppression' of Hanchongnyon by South

SK2408051396 Pyongyang KCNA in English

0404 GMT 24 Aug 96 — Official DPRK news agency

["Reunification Repression Denounced" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 24 (KCNA) — The Central Committee of the Union of Agricultural Working People of Korea (UAWPK) and the Central Committee of the Korean Democratic Women's Union (KDWU) in their statements on Friday [23 August] denounced the Kim Yong-sam group's anti-democratic and anti-reunification suppression of the South Korean Federation of University Student Councils (Hanchongnyon).

The UAWPK Central Committee in its statement said that the fascist clique are resorting to heinous outrages, branding "Hanchongnyon" as an "organisation benefiting the enemy". This is an unpardonable anti-national, anti-reunification criminal act to emasculate the fighting organization of the students and block the grand onward movement for reunification of the Korean nation, the statement noted.

It said: The Kim Yong-sam group, who are cracking down on "Hanchongnyon" by branding its events for reunification as "acts benefiting the enemy", will be pun-

ished by the pro-reunification patriotic forces without fail and pay dearly for it.

The KDWU Central Committee said in its statement that the Kim Yong-sam fascist clique's moves to obliterate "Hanchongnyon" is a vicious challenge to the aspiration and desire of the compatriots at home and abroad for reunification and the "second Kwangju violence".

The Kim Yong-sam group must stop the murderous suppression at once, before he is in a more miserable lot than the preceding dictators, and set free students and pro-reunification patriots unconditionally and immediately and step down without delay, the statement stressed.

DPRK: Dailies Denounce 'Suppression' of Hanchongnyon by South

SK2408052496 *Pyongyang KCNA in English*
0424 GMT 24 Aug 96 — Official DPRK news agency

["Papers Lambaste Kim Yong-sam Group's Suppression of 'Hanchongnyon'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 24 (KCNA) — Papers here today hit hard at the Kim Yong-sam group for launching an overall repressive offensive to disorganize the South Korean Federation of University Student Councils (Hanchongnyon) by linking it with the North in a far-fetched way, after brutally cracking down on students' August 15 grand reunification festival.

In a commentary NODONG SINMUN says:

South Korean students' August 15 festival was a peaceful event aimed at promoting national reconciliation, unity and reunification desired by the entire fellow countrymen, not at opposing the regime. It was due to the Kim Yong-sam group's suppression that the festival ended in a bloodbath. They had a large number of riot police ringing the place of the festival, armoured cars firing tear gas canisters and helicopters dumping down tear gas solution. They even threatened to use weapons to crack down on their peaceful activities.

The Kim Yong-sam group have charged "Hanchongnyon" with being "an enemy-benefiting organization manipulated by the North," "the North's vanguard" and "forces for overthrowing the system". It is, however, a preposterous charge for arresting guiltless students.

"Hanchongnyon" is a legitimate organization of one million students. The students held the festival, not instigated or manipulated by others but motivated by their idea that national reconciliation, unity and reunification are their only choice.

What the Kim Yong-sam group really seek is to put down the South Korean people's ever growing spirit for independence, democracy and reunification and preserve the stability of power by disorganizing "Hanchongnyon".

MINJU CHOSON recalls that the Chon Tu-hwan-No Tae-u group are in jail, waiting for the execution of their sentences for the Kwangju massacre.

The traitor Kim Yong-sam must be aware of the lesson of history, apologize to the nation for the latest suppression as brutal as the Kwangju massacre and stop the overall fascist offensive against "Hanchongnyon" at once, it urges.

DPRK: Overseas Pominnyon Group Decries ROK's Suppressing Rally

SK2508071896 *Pyongyang KCNA in English*
0647 GMT 25 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 25 (KCNA) — The overseas headquarters of the National Alliance for the Country's Reunification (Pominnyon) issued a statement on August 22 denouncing the traitorous Kim Yong-sam group for making an unprecedented bloody repression to frustrate the seventh pan-national rally and the sixth grand reunification festival of the National Alliance of Youth and Students for the Country's Reunification.

The statement bitterly denounces the repression as a flagrant challenge to the 70 million Koreans' desire for reunification and a brutal group terrorism of shameless fascist gangsters.

The statement demands that the Kim Yong-sam regime immediately stop suppressing the patriotic students and other champions of reunification and unconditionally release the illegally arrested students and patriots.

It also strongly demands that the Kim Yong-sam regime stop trying to disunite the South Korean Federation of University Student Councils, a steel-like organisation for national salvation, by branding it as "benefiting the enemy" and guarantee free activity for the organisation, which is preparing itself to be masters of the future.

It urges the Kim Yong-sam regime to apologize to the people for the bloody repression of the grand reunification festival by large combat police.

DPRK: Commentary Denounces 'Massacre' of Koreans by Japan in 1945

SK2408053396 *Pyongyang KCNA in English*
0419 GMT 24 Aug 96 — Official DPRK news agency

["Unpardonable Crime of Japanese Imperialism" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 24 (KCNA) — The Japanese imperialists cooked up the "Ukushima Maru" case to massacre Koreans on August 24, 1945.

The Korean people will never pardon their diabolic crime, says NODONG SINMUN in a signed commentary today.

The paper continues:

The Japanese authorities have neither admitted, nor apologized nor indemnified for their past crime, but rather tried to embellish it and keep it dark and dreamed of reinvasion.

No doubt, Japan is shameless, cunning, conscienceless and immoral.

Korea and Japan have been in historically hostile relationship and it is worsening as the days go by because Japan has not liquidated its past crime. The continuation of such hostile relations will be unfavourable to Japan only.

The Korean people have remained regardless of Japan's hostility. The same in the future, too.

The Korean people will surely let Japan pay for their past misfortunes, sufferings and disasters.

DPRK: Daily Accuses ROK for Plan To Invite Japanese Emperor

SK2608041196 *Pyongyang KCNA in English*
0331 GMT 26 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 26 (KCNA) — NODONG SINMUN today accuses the traitor Kim Yong-sam of working out an "A- Plan" to invite the Japanese emperor to South Korea and promoting it in secrecy for fear of the anti-Japanese sentiment of the South Korean public.

The news analyst says:

This shows how far Kim Yong-sam's pro-Japanese flunkeyism has gone. None of the preceding puppet rulers of South Korea dared realise such a visit.

Japan is accelerating the building of a military power and nuclear armament as well as the moves to stage a comeback to South Korea. Kim Yong-sam's plan to invite the Japanese emperor at this time was motivated

by a sinister intention to tighten dark fusion with the Japanese reactionaries, open a wider road for their reinvasion of South Korea and, in return for that, gratify his political ambition and enjoy personal comfort under the patronage of his master.

The South Korean students and other people are watching the planned visit of the Japanese emperor to South Korea promoted by the puppets and the Japanese reactionaries and the dangerous collusion between aggression and treachery through it, and will never tolerate it.

The Kim Yong-sam group must immediately cancel this visit and step down as demanded by the people.

DPRK: Koreans in Japan Denounce ROK Crackdown on Students

SK2608090496 *Pyongyang KCNA in English*
0731 GMT 26 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 26 (KCNA) — The Association of Koreans in Japan for Peaceful Reunification published a statement Friday denouncing the Kim Yong-sam group for their bloody crackdown upon the peaceful struggle of South Korean students for national reunification.

The traitor Kim Yong-sam fascist clique have persistently blocked the 7th pan-national rally and the 6th grand reunification festival of Pochonghanyon (the National Alliance of Youth and Students for the Country's Reunification) to be held in Seoul and brutally repressed the struggle of "Hanchongnyon" (the South Korean Federation of University Student Councils), the statement noted, and said:

The Association of Koreans in Japan for Peaceful Reunification scathingly denounces their bloody suppression as a treachery intended to totally stamp out "Hanchongnyon" with violent forces and strong arm and check the joint movement of fellow countrymen in the North, South and abroad for the independent and peaceful reunification of the country and as an anti-ethnic challenge and a frantic fascist outrage trampling down the desire of one million students of "Hanchongnyon", a vanguard of reunification.

We strongly demand that the South Korean authorities unconditionally stop their unjustifiable repression of "Hanchongnyon", immediately set free all the students and pro-reunification patriots who have been imprisoned on unreasonable "charges" and promptly abrogate the fascist laws including the "National Security Law" which defines the fellow countrymen as "enemy" and bars national reconciliation, unity and reunification.

We will extend positive support to the South Korean people and students in their valiant struggle against

the fascist repression and launch a vigorous struggle to accelerate the reunification of the country, rallied close under the banner of great national unity.

DPRK: Korean League in Japan Decries ROK Crackdown on Students

SK2408113496 *Pyongyang KCNA in English*
1119 GMT 24 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Tokyo, August 22 [date as received] (KNS-KCNA) — The Central Committee of the Korean Youth League in Japan published a statement on Thursday denouncing the Kim Yong-sam fascist clique for their fiendish suppression of the South Korean Federation of University Student Councils (Hanchongnyon).

The Kim Yong-sam group's bloody suppression overshadows that of all the preceding military dictators in cruelty and baseness and reminds people of the "Kwangju massacre" 16 years ago, the statement noted, branding it as the "second Kwangju incident," a treacherous act which is indelible forever in national history.

The statement continued:

Reunifying the country is an irresistible trend of the times and it is a foolish act to crack down on the students who have always been valiant in the van of the protracted struggle for it.

The Kim Yong-sam clique must stop their frantic crackdown on "Hanchongnyon" at once unconditionally, immediately release all the illegally arrested students and patriots and abolish the "National Security Law" and other fascist evil laws without delay.

DPRK: Japan Attempts To Avoid Responsibility for 'Comfort Women'

SK2508064096 *Pyongyang KCNA in English*
0631 GMT 25 Aug 96 — Official DPRK news agency

["Japan's Trick Cannot Work" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 25 (KCNA) — Although the Japanese Government is making a fuss with the payment of "temporary money" to former "comfort women for the Japanese Army" through the "national fund," it is not motivated by an intention to make a sincere apology and compensation for the criminal "comfort women" issue, but by a crafty and shameless scheme to avoid state responsibility and compensation with some money.

MINJU CHOSON says this in a commentary today.

The analyst continues:

The Japanese Government must know that it cannot bury into oblivion the "comfort women" issue through hocus-pocus and cannot evade its responsibility.

If it continues to try to escape from its responsibility, far from making a proper apology and compensation, it will add to Japan's crimes and Japan will have to pay more dearly.

The Korean people have never forgotten the misfortunes and sufferings imposed on them by Japanese imperialism in the past. We will condemn the Japanese imperialists' crimes generation after generation and force the Japanese authorities to make a state apology and compensation.

Sincere atonement for the past crimes is needed for Japan itself, rather than for others. The Japanese government must discard the wrong attitude toward the liquidation of the past and adopt an honest policy.

For Japan to admit its state responsibility for the past crimes and make a sincere apology and compensation will be beneficial to removing worldwide distrust in Japan and making a new start.

DPRK: CIS Pochonghangnyon Denounces ROK Suppression of Students

SK2508072696 *Pyongyang KCNA in English*
0659 GMT 25 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 25 (KCNA) — The Commonwealth of Independent States regional headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pochonghangnyon) published a statement on August 21 denouncing the Kim Yong-sam group's sanguinary suppression of the South Korean Federation of University Student Councils (Hanchongnyon).

The statement said that the suppression by the traitor Kim Yong-sam is a replica of the Kwangju incident 16 years ago and an undisguised challenge to the righteous struggle of the students longing for the reunification of the country.

It noted:

The Kim Yong-sam group must stop the suppression of "Hanchongnyon" immediately and release the patriotic students at once.

Kim Yong-sam must abolish the murderous and anti-reunification "National Security Law" and ensure the free patriotic movement for reunification by the South Korean students.

DPRK: Daily Decries South's 'Vicious Scheme To Fascistize Campus'

SK2508062796 *Pyongyang KCNA in English*
0622 GMT 25 Aug 96 — Official DPRK news agency

["Vicious Scheme To Fascistize Campus" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 25 (KCNA) — The traitor Kim Yong-sam at a "meeting of the education reform committee" a few days ago insultingly described the August 15 pro-reunification events sponsored by the South Korean Federation of University Student Councils (Hanchongnyon) as "violent demonstration" and called for working out a "new framework of ideological education" to instill "liberal democracy" into the students' minds.

NODONG SINMU'N today criticizes this as a vicious scheme to fascistize the campus more than before.

The news analyst says:

By "education in the idea of liberal democracy," the Kim Yong-sam group mean the education to preach pro-American flunkeyism and obedience to the colonial fascist rule among students, incite the consciousness of confrontation and war with the North and stifle the movement for independence, democracy and reunification.

Kim Yong-sam's call for working out a "new framework of ideological education" is designed to malrevise [as received] the present reactionary educational system so that the students may be disarmed ideologically and morally and obey the fascist repressive rule.

In other words, he demanded that education at universities be made more reactionary and fascistized, the students be instilled with servility to the rulers and the consciousness of confrontation and war with the North and they be prevented from staging protests on streets any longer.

Lurking behind his scheme is an intention to seek a guarantee for his safety after his resignation.

He plans to condemn "Hanchongnyon's" August 15 pro-reunification struggle as "pro-North violent action" at any cost, shift the blame for the criminal August 15 bloodbath, stifle the pro-reunification democratic forces, disarm the students, the standard-bearers of the struggle, ideologically and morally and secure his "safety" after resignation. This is a foolish dream, however.

Kim Yong-sam, the fascist hangman who produced a second Kwangju massacre behind the facade of "civil government," will be punished by history more severely than the traitors Chon Tu-hwan and No Tae-u.

DPRK: SKNDF Releases Letter Denouncing ROK Crackdown on Students

SK2508072496 *Pyongyang KCNA in English*
0657 GMT 25 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 25 (KCNA) — The Central Committee of the National Democratic Union of South Korea (NDPSK) [SKNDF] published on August 22 an open letter to world progressive political parties and organizations, international organizations and figures, according to a report of radio Voice of National Salvation from Seoul.

The letter noted that the Kim Yong-sam regime bestially cracked down on the peaceful sixth grand reunification festival of the National Alliance of Youth and Students for the Country's Reunification held at Yonsei University, Seoul, sponsored by the South Korean Federation of University Student Councils (Hanchongnyon) on August 15, the 51st anniversary of the liberation of the country.

The letter went on:

This bestial suppression was a serious bloody incident reminiscent of the bloodbath of Kwangju 16 years ago.

If you do not correctly understand the true nature of the Kim Yong-sam regime, which does not want national reunification and whose method of life is dependence on outside forces and fascist suppression, but tolerate its inhuman and unethical brutal moves, the present political situation of South Korea will get more horrible.

The NDPSK, the organization representing the will and desire of the South Korean people, calls on the world progressive political parties, organizations, international organizations and figures to pay deep concern to the critical situation of South Korea, increasingly protest and denounce the Kim Yong-sam fascist group and take a step of international pressure on the group to abolish the "National Security Law", the anti-democratic, anti-reunification fascist evil law.

The letter expressed hope that they will wage solidarity movements in every way to support "Hanchongnyon", the organization of a million students, and realize the release of arrested students and continuously extend firm solidarity to the movement of the South Korean people for independence, democracy and reunification.

DPRK: Kim Il-sung University Students Decry ROK's 'Suppression'

SK2408053196 *Pyongyang KCNA in English*
0412 GMT 24 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 24 (KCNA) — The students of Kim Il-sung University on

Friday met to bitterly denounce the fascist murderous fanatics for bestially cracking down on the patriotic students of South Korea who held the August 15 grand reunification festival.

The speakers said that the current suppression by the "civilian"- veiled fascist group is a replica of the "May 18 Kwangju violence" committed by the Chon Tu-hwan-No Tae-u group 16 years ago.

They scathingly condemned the barbarous fascist repression by the Kim Yong-sam group as an open challenge to the desire of the nation for reunification and a brutal violation of human rights and democracy.

They said:

The "civilian"-veiled Kim Yong-sam fascist clique, who made righteous youth calling for national reunification shed blood through violence will be unable to avoid a stern judgement of history and the nation.

The Kim Yong-sam group must stop the suppression of the patriotic students of "Hanchongnyon" at once and release all the arrested patriotic students unconditionally and immediately, squarely seeing the resentment of the fellow countrymen and the trend of the times.

The entire students of the university will actively support and encourage the students in the South in their struggle for independence, democracy and reunification, standing by them, together with all other students in the northern half of Korea.

DPRK: Doctor Expresses Concern Over Health of Hunger Strikers

SK2408105096 *Pyongyang KCNA in English*
1042 GMT 24 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Panmunjom, August 24 (KCNA) — Medical workers stationed at the Tongil House in Panmunjom today expressed deep concern over the health conditions of Yu Se-hong and To Chong hwa, delegates of the South Korean Federation of University Student Councils (Hanchongnyon), who are on a hunger strike.

"Hanchongnyon" represents the South headquarters of the National Alliance of Youth and Students for the Country's Reunification. Kim In-su, a doctor, told KCNA that the two delegates were in good health conditions prior to the hunger strike but the conditions began deteriorating on the fourth consecutive day of fasting. "Especially, Yu Se-hong has become conspicuously lean and weak," the doctor said, expressing doubt about how long he can withstand in. [sentence as received]

DPRK: Hunger Strikers Hold News Conference at Panmunjom

SK2508071596 *Pyongyang KCNA in English*
0708 GMT 25 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 25 (KCNA) — The young people who are fasting at the Tongil House in Panmunjom held a joint press conference today.

At the conference, a letter to the U.N. Commission on Human Rights was published.

The letter was jointly signed by Yu Se-hong and To Chong-hwa, delegates of the South Korean Federation of University Student Councils (Hanchongnyon), which represents the South headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon), Ho Chang-cho, head of the delegation of the North headquarters, and Pak Ku-ho, head of the delegation of the overseas headquarters.

The letter notes that the South Korean authorities brutally cracked down on the Seoul events of the grand reunification festival of Pomchonghangnyon and are manipulating the paid media to brand the peaceful events of students as "violent action to overthrow the system" and trying to obliterate "Hanchongnyon" by groundlessly charging it with "benefiting the enemy" and "following communist lines" of the North.

The letter asks the international organisation to pay due attention to the situation of South Korea and the false propaganda, dispatch a fact-finding group to Seoul at an early date and fully exercise its authority and influence for a fair settlement of the problems.

Yu Se-hong informed newsmen of the process of fasting and declared they would manifest their position at the forthcoming Pyongyang meeting of youth and students from different countries so as to invite support and solidarity from them.

Ho Chang-cho and Pak Ku-ho said through the fasting they could feel the strength of the tripartite struggle of Pomchonghangnyon once again and declared they would fight it out until Pomchonghangnyon's struggle for national reunification is crowned with victory.

Asked about the health conditions of the hunger strikers, master of medical science Kim In-su of the Pyongyang Friendship Hospital told newsmen that the life indices of the two delegates of "Hanchongnyon" who have been fasting for five consecutive days have dropped much compared with the pre-fasting days.

Their blood pressure has dropped and their weight decreased by more than two kg each, but they are withstanding because of their strong will and the support

and encouragement from the North and overseas Koreans and foreigners desirous of reunification, according to the account of the doctor.

DPRK: Hunger Strikers Shout Slogans, Sing Songs at Panmunjom

SK2608083696 *Pyongyang KCNA in English*
0742 GMT 26 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Panmunjom, August 26 (KCNA) — The participants in the hunger strike at Panmunjom came out to the courtyard of the Panmun House this morning and repeatedly urged the Kim Yong-sam regime to meet their demands.

The hunger strikers include Yu Se-hong and To Chong-hwa, delegates of the South Korean Federation of University Student Councils (Hanchongnyon), members of the North headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon), delegates of various universities and members of a delegation of the overseas headquarters of Pomchonghangnyon.

Yu Se-hong and To Chong-hwa shouted fighting slogans and sang songs with the determination not to stop their hunger strike and accused the Kim Yong-sam group of its unethical and fascist suppression and distortion of the situation. Their health condition has worsened.

They declared that if they fell down while on the hunger strike, they would rise up again and continue their struggle, employing all means and methods.

The Kim Yong-sam regime refuses to take any measure to meet their demands even today, the sixth day of the hunger strike.

DPRK: Visitors Inspire Hunger Strikers To Work for Reunification

SK2608101896 *Pyongyang KCNA in English*
0953 GMT 26 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 26 (KCNA) — Students, presidents, professors and doctors of various universities in Pyongyang today called on the North, South and overseas delegates who were in a fasting at the Tongil House, Panmunjom, in protest against the Kim Yong-sam group's fascist suppression of the South Korean Federation of University Student Councils (Hanchongnyon).

Deeply moved by the visitors' sincerity and ardent desire for the country's reunification, the "Hanchongnyon" delegates, Yu Se-hong and To Chong-hwa, vowed to continue fighting undauntedly for reunification.

The hunger strikers were also visited today by officials, working people and artistes in Kaesong.

DPRK: Radio on Kim Yong-sam 'Amazing Fortune'

SK2508135496 *Pyongyang Korean Central Broadcasting Network in Korean*

0753 GMT 25 Aug 96
— DPRK-owned central radio network

[Unattributed talk: "Traitor Kim Yong-sam Is Heinous, Special-Class Boss of Burglars"]

[FBIS Translated Text] The traitor Kim Yong-sam has been repeatedly implementing antipopular and antireunification policies in South Korea by wearing the hat of the presidency. He is indeed a peerless swindler and impostor, a special-class boss of burglars who seized power through corruption and irregularities and who has grown fat on corruption and irregularities.

The rascal Kim Yong-sam [kim yong-sam nomun] regarded the situation in the National Assembly, with its small ruling party presence and large opposition party presence — a situation created after the puppet parliamentary elections in 1988, the era of the traitor No Tae-u's rule — as a golden opportunity for amassing a fortune. Thus, he sneaked into the bosom of the military dictatorship and sucked out [ppara naeosumnida] the dirty money [komun ton].

Sensing that an enormous amount of money is needed to win the presidency, the puppet traitor had no scruples about doing anything needed to attain his goal. By threatening to break up the party, which had been formed through a merger of three parties; by seceding from it; and so forth, the rascal succeeded in pressuring No Tae-u into a promise of support for his [Kim's] next-term presidency. He extorted money amounting to 20 billion won from No Tae-u as funds for supporting his presidential election.

In addition, on the pretext of ensuring the personal safety of No Tae-u after his retirement, the rascal also extorted 100 billion won from him. After the traitor No Tae-u seceded from the Democratic Justice Party, the rascal again received 300 billion won from No in the form of taking over party funds.

Not satisfied with this, the traitor Kim Yong-sam sucked out more money by asking No Tae-u to support the presidential election. The then-senior secretary in charge of audit and inspection at Chongwadae [presidential offices] complained that because Kim Yong-sam's appetite for extorting money was just like an elephant's appetite for cookies, he did not know how much money he should offer. This is no accident at all.

The rascal Kim Yong-sam succeeded in donning the hat of the presidency by distributing an astronomical amount of dirty money. He committed burglary on a larger scale and more frantically than before by abusing his political power even after he became the so-called president.

Claiming that he should have more money to implement politics on a large scale and that Chongwadae had the potential, the rascal ordered that measures to get more money be worked out. Thus, he received 60 billion won from No Tae-u in the name of congratulatory funds for winning the presidency, and 200 billion won in the name of funds for taking over the regime. The amount of dirty money he extorted through such methods totals as much as 935 billion won.

The traitor Kim Yong-sam's method for collecting money is cunning and intellectual. The rascal said to his close assistants: I will not do what the former presidents did. I will do it in a just manner by mapping out a justification. The most certain justification is reform. This is a very golden key for making a large fortune on a single occasion.

On the pretext of so-called reform, the puppet traitor carried out a commotion for government officials to make public their assets. Through this commotion, he received enormous bribes, totalling as much as 200 billion won, from those who had illegally accumulated wealth. The real-name financial transaction system, which the traitor Kim Yong-sam claimed as a reform among all reforms, was in fact an occasion for him to accumulate a great fortune.

Three months before the announcement that he would implement the real-name financial transaction system, the rascal leaked this information to certain large business groups and big depositors. As a result, he amassed money amounting to 800-odd billion won as a bribe and a reward.

By the power of government authorities, the puppet traitor offered various privileges to large business groups and issued them licenses. In return, he received tens of billions of won as a reward. Even by taking advantage of the slush fund incident, he embezzled a great amount of money.

By threatening to sternly rule those involved in the scandal while claiming he would reduce the prison terms and exclude from judicial action some businessmen who were already indicted, Kim extorted enormous amounts of money from them. The dirty money he sucked from large business groups through an investigation of the slush fund incident amounts to more than 500 billion won.

The traitor Kim Yong-sam unhesitatingly committed nation-selling acts to sell out the vital interests of the South Korean people in order to fill his pockets with dirty money. By selling out South Korea's rice markets to the United States, the rascal received a bribe amounting to \$50 million from U.S. rice producers. During the so-called 27th U.S.-South Korea Annual Security Consultative Meeting held last November, he signed a nation-selling document in which he agreed to increase by 10 percent annually the expense of maintaining the U.S. Forces in South Korea. In return for this, he received a bribe amounting to \$15 million.

He also received a reward amounting to tens of millions of dollars in return for approving the deployment of Patriot and (Elite) missiles and Apache helicopters for the U.S. Forces in South Korea, thus filling his personal pockets.

The traitor Kim Yong-sam collected such dirty money and with it became practically a rich man in South Korea only one year after taking power. Today he is the richest man and the emperor of dirty money.

All successive South Korean rulers, without exception, committed acts of corruption and irregularities. However, there has been no other shameless ringleader of burglary and heinous boss of corruption and irregularities such as the traitor Kim Yong-sam, who collected such an enormous amount of money in such a short period and in such a cunning way, going beyond mankind's imagination.

The traitor Kim Yong-sam runs amok to collect money, which is made from the people's blood and sweat, and he is engrossed with the ambition for personal pleasure, wealth, and political power. It is inevitable and unavoidable that the traitor Kim Yong-sam will be punished after a stern judgment from history and the people.

The South Korean people will expose the fraudulence and irregularities of the traitor Kim Yong-sam by all means and reveal his true colors as an accomplice of the slush fund scandal. They will punish him without fail, together with No Tae-u.

DPRK: KCNA Reviews 26 Aug NODONG SINMUN

SK2608042696 *Pyongyang KCNA in English*
0325 GMT 26 Aug 96 — Official DPRK news agency

[Review of NODONG SINMUN]

[FBIS Transcribed Text] *Pyongyang, August 26 (KCNA) — NODONG SINMUN today frontpages a consolatory message to the great leader Comrade*

Kim Chong-il sent by King of Cambodia Norodom Sihanouk over the flood damage in Korea.

The paper reports that Comrade Kim Chong-il sent thanks to the Ministry of the Electric Power Industry, the Changjingang Power Station and the South Hamgyong Provincial General Electric Transmission and Transformer Enterprise for having set examples in resolving the electric power problem.

Carried in the paper is news that the Lebanese magazine "AL RAYA" No. 140 edited an article interpreting Comrade Kim Chong-il's aphorisms and the Paleya Publishing House of Russia published in booklet his famous work "Respecting the Forerunners of the Revolution Is a Noble Moral Obligation of Revolutionaries".

Under the fixed title "They Always Worked Together for People" the paper edits an article titled "Remembering Unforgettable Picture 30 Years Ago", illustrated by a photo of the great leaders President Kim Il-song and Comrade Kim Chong-il giving on-site guidance to the Pidan Islet, North Pyongan Province (August 1966).

The paper dedicates an article to the 5th anniversary of the publication of Comrade Kim Chong-il's famous work "Young Men and Women, Be the Vanguard Unfailingly Loyal to the Party and the Leader".

Members of the Pyongyang mission of the National Democratic Front of South Korea (NDFSK) [SKNDF] laid a floral basket before the statue of President Kim Il-song on Mansu Hill on the 27th anniversary of its foundation, says the paper.

The paper gives an account of a meeting held to mark the 30th anniversary of on-the-spot guidance to Sindo County, North Pyongan Province by President Kim Il-song and Comrade Kim Chong-il.

The paper conveys news of preparations for harvesting on all cooperative farms.

Carried in the paper is an account of a joint press conference called by the delegates of the South Korean Federation of University Student Councils (Hanchongnyon) representing the South headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) and delegations of the North and overseas headquarters of Pomchonghangnyon and a letter to the UN Commission on Human Rights published at the conference in joint name.

The paper informs the readers that overseas youth organizations and an Indian figure issued statements denouncing the Kim Yong-sam puppet clique's fascist suppression of "Hanchongnyon".

The paper carries a report that members of the North headquarters of the National Alliance for the Country's

Reunification (Pomminnyon) and foreign delegations and delegates called on the participants in fasting.

The South Korean puppets committed a military provocation in the Military Demarcation Line, says the paper.

The paper runs an article on the courageous struggle of "Hanchongnyon" students for reunification for 9 days in face of blockade by the Kim Yong-sam fascist clique.

The paper comes out with a commentary denouncing the U.S. and Japan for planning to stage large scale joint military exercise in the East Sea [Sea of Japan] of Korea.

The paper in another commentary castigates the Kim Yong-sam clique for trying to usher the Japanese emperor in South Korea.

DPRK: KCNA Reviews 24 Aug Pyongyang Press
SK2408053496 Pyongyang KCNA in English
0433 GMT 24 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 24 (KCNA) — Papers today report that the great leader Comrade Kim Chong-il, supreme commander of the Korean People's Army (KPA), sent thanks to servicemen of a KPA unit for their devoted contribution to the production of nonferrous metals.

The press informs the readers that the ika mbiko socio-economic genius prize was awarded to the great leader President Kim Il-song in zaire.

NODONG SINMUN says that Comrade Kim Chong-il received messages of greetings from foreign party leaders on the 43d anniversary of the victory in the fatherland liberation war.

Appearing in the press are an account of a national seminar held in Japan to mark the 20th anniversary of the formation of the liaison council of society for the study of the chuche idea of Japanese teachers, and a letter to Comrade Kim Chong-il from the participants in the seminar.

NODONG SINMUN conveys what members of the Japanese delegation for the study of the chuche idea said highly praising Comrade Kim Chong-il as the supreme incarnation of moral obligation.

The South Korean people respect President Kim Il-song as the savior of the nation, the sun of the nation and the father of the fellow countrymen, says the daily.

Econews of the press deals with achievements made by the working people in producing consumer goods.

Given in the press is a sojourn in Pyongyang of the song and dance ensemble of the Chinese People's Liberation Army.

Some forces of the United States recently slandered the DPRK, seeking sinister political purpose in the on-going presidential election campaign. In this connection, the spokesman of the DPRK foreign ministry told KCNA that if the DPRK-U.S. framework agreement ends in a failure the DPRK has nothing to lose, reports the press.

Seen in the press are voices of the organizations and people in the northern half of Korea denouncing the Kim Yong-sam group's brutal suppression intended to totally stifle "Hanchongnyon" (the South Korean Federation of University Student Councils).

Papers run commentaries accusing the Kim Yong-sam fascist group of scheming to stamp out "Hanchongnyon", branding it as "pro-North violent forces".

It is reported in the press that members of the North headquarters and the delegation of the overseas headquarters, of Pomchonghangnyon and delegates of different universities joined "Hanchongnyon" delegates Yu Se-hong and To Chong-hwa in the hunger strike and a friendship visiting group of the Italian Movement for Peace and Socialism and officials of Kaesong municipality paid a visit to those hunger strikers.

NODONG SINMUN carries a commentary stressing the Korean people will never pardon the "Ukushima-maru" explosion incident cooked up by the Japanese imperialists in August 1945 and a commentary disclosing the fact that Japan had an A-bomb development test in Korea at the end of World War II.

World news of the press includes reports that delegates of different countries at a United Nations session lashed out at the westerners' highhandedness and the spokesman for the Chinese Foreign Ministry condemned the visit to "Yasukuni shrine" by Japan's government officials.

Papers observe the fifth anniversary of the ukrainian national day.

MINJU CHOSON observes the 20th anniversary of the establishment of diplomatic relations between Korea and Seychelles.

DPRK: People's Unwavering Faith in Socialism Noted

SK2608054996 *Pyongyang Korean Central Broadcasting Network in Korean*

0900 GMT 23 Aug 96

— *DPRK-owned central radio network*

[Unattributed talk: "Our People Are the Revolutionary People Who Advance Along Their Own Way to the End"]

[FBIS Translated Text] Under the party's wise leadership, our people are vigorously advancing along the road of socialism today with revolutionary faith and principle, despite the intensive antisocialist maneuvers of the imperialists and reactionaries.

The great leader Comrade Kim Il-song has taught: Our people will not abandon their revolutionary faith and principle, submit to any pressure or threat, nor abandon their own way and choose a different road no matter what wind may blow.

For the people engaged in the revolution to follow the socialist road to the end, they should thoroughly adhere to their revolutionary faith and principle. To adhere to the revolutionary faith and principle is to adhere to and embody the fundamental demand for independence and the interests of the working class and popular masses in any adversity, with a firm belief in the justness of the revolutionary cause and the inevitability of its victory.

Maintaining this resolute position is a noble trait which should be maintained by the revolutionaries and people who have undertaken the road of struggle.

The road to socialism is a road that has not been traversed before and that must be pioneered anew. It is a rugged revolutionary road along which we should advance in acute confrontation and struggle with the imperialists. Therefore, there could be difficulties and trials along the way, and an unexpected situation could develop.

The people should have the thorough revolutionary faith and principle to courageously overcome the manifold difficulties, advance the socialist cause continuously and vigorously, beat the imperialists' challenge, and honorably defend the banner of the revolution.

Pioneering the struggle for socialism is difficult, but the struggle to adhere to and complete it is no less arduous. The motivation that enables the popular masses to adhere to the end to the road of socialism, which they themselves have chosen, and to display its superiority is the force of faith and will.

For the popular masses to maintain an unchangeable faith and will is the most important thing in the socialist cause which continues generation to generation. Today, our people are vigorously advancing along the road, directed by their faith and principle and with a firm belief in the invincibility of our-style socialism.

The firmness of our people's revolutionary faith is powerfully demonstrated, above all, by their firm trust in the party and the leader under any environment and their resolute defense of and adherence to the revolutionary line put forth by our party.

In the practical struggle for the revolution and construction, our people have learned with conviction that our party is great and that the party's lines and policies are the most just. They are firmly determined to advance along the road directed by our party.

It is our people's invariable will to implement our party's lines and policies to the end, unperturbed by any fierce wind and with a sure faith in victory. They have faith that as long as they advance under the wise leadership of the respected and beloved general Kim Chong-il, they will be ever-victorious without fail.

The slogan "What the party decides, we will do," which is put up at all the battle sites of socialist construction today, reflects our people's firm resolve to continue to add luster to our socialism under the party's leadership, with a firm socialist revolutionary faith and principle.

The firmness of our people's revolutionary faith is also vividly demonstrated in firmly adhering to the principle of socialism and the working-class stance in all sectors of the revolution and construction. Objective circumstances and conditions in socialist construction constantly change. However, even though time goes by and circumstances change, basic principles and ideals adhered to in the cause of socialism cannot change.

The principle of socialism and the working-class stance should be firmly adhered to to the end as long as socialism continues to exist.

Historic experiences show that one step of concession and retreat from the principle of socialism will bring about 10 steps and 100 steps of concession and retreat; and eventually bring about the grave consequence of collapsing the socialist fortress.

Our people are consistently advancing along the single road of the revolution under the party's leadership, holding aloft the banner of socialism, even amid the unprecedentedly complicated and acute circumstances in which the imperialists' offensives are becoming more intensive.

While some countries were weakening their party's leadership role and their socialist states' unified guiding function by neglecting the work of strengthening the working class' party, our party has concentrated great efforts on strengthening by all means the party's leadership role in the revolution and construction and the state's unified guiding function. Also, while some

countries were adopting the capitalistic ownership system and capitalistic economic management method and were implementing a reform and reorganization policy [kachyok kaepyon chongchaek] in collusion with the imperialists, our party and people have thoroughly defended, adhered to, and embodied the Taework system, which is the most superior socialist economic management system. This clearly shows the resolute revolutionary stance of our people who have defended the road they chose to the end.

The firmness of our people's revolutionary faith is also fully demonstrated in resolutely struggling against the imperialists without knuckling under to their pressure or threat. How strong the revolutionary faith and principle is can be emphatically found in how to compete with the antisocialist maneuvers of the imperialists.

Today, the imperialists are running wild to obliterate the cause of socialism more frantically than ever. The imperialists and reactionaries are attempting to collapse socialism from within by advertising all sorts of bourgeois liberalization among people and spreading the delusion of capitalism among them on the one hand; and attempting to isolate and suffocate socialism by way of military threat, blackmail, and offensives on the other hand.

However, our people are sternly smashing any appeasement, deception, pressure, and threat by the imperialists to firmly defend the banner of socialism.

Whenever the enemies' antirevolutionary offensive is being intensified, our people fight, braving it with a revolutionary offensive. This is our people's traditional struggle ethos. Because our people struggle with such a strong will, the imperialists' antisocialist and anti-Republic commotions have been smashed at every phase, and the cause of socialism has been firmly defended.

Our people are a revolutionary people who neither know the delusion of imperialism nor compromise with it.

As long as imperialism continues to exist on the earth and as long as reactionaries' maneuvers to oppress the popular masses' independence continue, our people's determination and will to advance, holding aloft the banner of anti-imperialist struggle, is firm and invariable.

Our people who are blessed with the leadership of the great leader [suryong] and the great party will never give up their revolutionary faith and principle in the future, too, and will vigorously advance along their own road to the end in the course of consummating the cause of socialism.

DPRK: Papers Observe Founding Anniversary of SKNDF

SK2508071796 *Pyongyang KCNA in English*
0641 GMT 25 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 25 (KCNA) — Papers today observe the 27th anniversary of the foundation of the National Democratic Front of South Korea (NDFSK) [SKNDF], the genuine patriotic vanguard organisation of the South Korean people.

The South Korean revolutionaries founded the Revolutionary Party for Reunification (RPR), predecessor of NDFSK, on August 25, 1969.

The foundation of the party was a brilliant embodiment of the *chuche*-based idea and theory of party building advanced by the great leader President Kim Il-sung and a historic declaration of heralding a new start of the revolutionary movement in South Korean society under the banner of *chuche*.

The foundation of the RPR, a revolutionary party guided by the immortal *chuche* idea, enabled South Korean people to have the patriotic vanguard organisation which defends their genuine will and interest and fights for them.

As required by the changed situation after the heroic Kwangju popular uprising and the development of the party, the RPR renamed itself the National Democratic Front of South Korea on July 27, 1985 and put forward a new fighting program and goal.

After its founding, NDFSK raised it as the basic line of its building to model its ranks on the *chuche* idea and realised the oneness of idea and leadership, thus strengthening it to be an ever-victorious patriotic vanguard and an invincible militant unit which struck its roots deep among the masses and acts amid their support and protection.

NODONG SINMUN in a by-lined article titled "Cause of NDFSK for Independence, Democracy and Reunification Will Surely Win Victory" says that NDFSK has recorded a great victory and achievement in the struggle to constantly strengthen the driving force of social revolutionary movement and achieve independence, democracy and reunification under the banner of the immortal *chuche* idea in the past 27 years.

South Korean people's trust in NDFSK is growing day by day and world progressive people's support to and solidarity with it are intensified. The people in the North are sincerely rejoiced over it.

Noting that the NDFSK's cause for independence, democracy and reunification is just and its victory is inevitable, the article stresses:

Our people firmly believe that under the uplifted banner of the great *chuche* idea, the NDFSK will overthrow the traitorous Kim Yong-sam regime and open a turning phase for independence, democracy and reunification by arousing broad segments of people of South Korea.

MINJU CHOSON also carries a signed article on this occasion.

DPRK: Role of Economic Organ Functionaries Stressed

SK2508054896 *Pyongyang MINJU CHOSON*
in Korean 7 Aug 96
p 1 — DPRK Government newspaper

[Editorial: "Functionaries in State Economic Organs Should Guide Economic Work in a Substantial Manner With a High Sense of Responsibility"]

[FBIS Translated Text] Today we are faced with the important task of thoroughly implementing the party's revolutionary economic strategy by vigorously accelerating the general march movement and thus effecting a constant advance and upsurge in socialist economic construction. An important problem facing functionaries in state economic organs in successfully carrying out this honorable task and in victoriously advancing our march is to guide economic work in a substantial manner and with a high sense of responsibility.

The great leader [yongdoja] Comrade Kim Chong-il has indicated: "We should enhance economic functionaries' sense of responsibility and role so as to ensure they can carry out economic work in a substantial manner."

Having functionaries in state economic organs guide economic work in a substantial manner and with a high sense of responsibility is an important guarantee for vigorously accelerating socialist economic construction and thus brilliantly realizing the party's plan.

Functionaries in state economic organs are the organizers and executors of the struggle to implement the party's economic policy. The economic task in each sector and each unit is organized and implemented by functionaries in state economic organs, and national economic development is possible only when the economic work in the overall sectors is carried out successfully. Therefore, to vigorously accelerate socialist economic construction it is imperative for functionaries in state economic organs, who hold the reins of economic construction, to actively exert themselves to thoroughly implement the economic tasks of their sectors with a high sense of responsibility.

If functionaries in state economic organs fail to guide economic work in a substantial manner and with a

high sense of responsibility, all assigned economic tasks cannot be implemented smoothly. The problems of managing and operating the economy according to the demands of the Taean work system, regularizing production at a high level, effectively utilizing the economic foundation already provided, and effecting a joint innovation in all fields of the national economy are closely related to the sense of responsibility and role of functionaries in state economic organs.

Experiences show that in those units where functionaries in state economic organs guide economic work in a substantial manner and with a high sense of responsibility, standing in a position befitting the master, their economic tasks are successfully carried out and a constant innovation is effected in production and construction.

Having functionaries in state economic organs guide economic works in a substantial manner and with a high sense of responsibility is an important demand of today's prevailing situation and changed circumstances.

Today, the imperialists and reactionaries are tenaciously perpetrating economic sanctions, along with political and military pressure, in a bid to isolate, suffocate, and crush our socialism.

With socialism frustrated in some countries and the socialist markets in the world collapsed, our country's external economic relations have basically changed [kunbonjoguro tallajige toeyotta]. The reality in which the regional circumstances [kukchijok hwangyong] of socialist economic construction and external economic relations have changed demands that functionaries in state economic organs properly carry out their guidance for economic work with a higher sense of responsibility than ever before.

When functionaries in state economic organs properly carry out economic organization work and correctly organize and mobilize the masses' inexhaustible strength, the prevailing difficult situation can be easily saved, and constant advances and upsurges in economic construction can be achieved.

The question is: How will functionaries in state economic organs use their brains and properly carry out economic management work in conformity with the new circumstances?

All functionaries in state economic organs should keep in mind the importance of their position and role in socialist economic construction and struggle to effect a new turn in their economic work, devoting their all strength and wisdom.

For functionaries in state economic organs to guide economic work in a substantial manner and with a high

sense of responsibility, they should first of all master the party's intent.

Our party's policy is a leadership guideline for socialist economic construction. Here all struggle tasks, and the ways to implement them in all sectors, are entirely manifested. Functionaries of state economic organs must have a good knowledge of the party's intentions so they can actively promote economic work with the skill of achieving high results, and can successfully carry out all economic tasks that have been presented. Whatever economic tasks they must carry out, functionaries of state economic organs must first correctly have an understanding of the essence of our party's economic policy, and, even though they are assigned and plan only one aspect of this work, they must know what the party's intentions are and must organize and advance them in conformity with it. Today, our party demands that economic work be planned by concentrating our forces to thoroughly implement the revolutionary economic strategy. Functionaries of all state economic organs must thoroughly establish the trait of directing all their activities to implementing the party's revolutionary economic strategy, and, even under unfavorable conditions, must thoroughly establish the trait of responsibly carrying out the economic tasks entrusted to their units and sectors, however unfavorable the situation may be.

Functionaries of state economic organs must substantially guide economic work with high responsibility, and must go to the popular masses as well as systemize and make it a rule to carry out work in accordance with their creativity and wisdom.

For functionaries of state economic organs to go deeply into the masses is an important demand to bring about new upsurges in economic construction by improving the guidance toward economic work in accordance with the developing reality and by vigorously organizing and mobilizing the masses.

When functionaries of state economic organs go to plants and enterprises, they must deeply plant the party's intention as regards the current economic operational direction, and must correctly acknowledge the position and importance the related sectors occupy in implementing them. At the same time, they must meet functionaries who personally organize and command production, and must hear from them more creative opinions on new technical innovative methods, on improving production and management, and on the problem of mobilizing inner reserves. They must also effectively guide the work to actively embody them into practice. Functionaries must then go to plants, enterprises, and cooperative farms, and must go into work places, work sites, and sub-work teams, in order to hold friendly dialogue

with workers and farmers; must open-mindedly listen to their opinions; and must regard even a small bud coming from the masses as precious, promoting and developing it so it can bear magnificent fruit when out into practice.

If functionaries of state economic organs are to guide economic work with high responsibility, they must effectively plan economic organization work.

Economic organization work is an important duty entrusted to functionaries of state economic organs. The socialist economy is a large planned economy based on collective ownership. Thus, the results in economic work are greatly dependent on how functionaries carry out economic organization work. Functionaries of state economic organs must effectively plan economic organization work so the economy can be carried out in a planned and rational manner; by entirely mobilizing inner reserves, this can be effectively utilized to the utmost in production and construction. Planning economic organization work has important significance in enhancing and manifesting the revolutionary enthusiasm of the production masses and the upsurged spirit of the masses that appears in practical work results. Functionaries at state economic organs must establish scientific and realistic plans to implement the party's economic policy, and must be watertight in their relations between all units and sectors of the people's economy. At the same time, they must effectively carry out the work to supply the necessary economic technical conditions, such as raw materials, materials, and facilities. Our party's revolutionary economic strategy is not a strategy implemented after being equipped with all conditions and for all possibilities. Thus, economic tasks cannot be successfully carried out at the appropriate time if we wait for favorable conditions to be guaranteed.

Functionaries of state economic organs should actively organize economic and organizational work down to the details so as to solve problems arising in the course of looking into and producing that which is lacking. Thus, they should prepare the necessary conditions and possibilities for the implementation of the economic tasks assigned to their fields and units, doing so with their own strength. In addition, they should clearly grasp and regulate production processes in a concrete manner, and correctly handle things in a timely manner. By so doing, they should see to it that the producer masses wage a more active and positive struggle.

Improving enterprise management and enlisting internal reserves to the fullest are important ways to endlessly increase production and make rational use of production sources. Even under the same conditions, there are units that will unfailingly implement their assigned plans for the national economy because the functionaries have

scrupulously carried out enterprise management and have enlisted internal reserves to the fullest, doing so with a high sense of responsibility. Functionaries of all state economic organs should be conscious as the masters responsible for economic work, and should tenaciously manage their economic life. In particular, functionaries of plants and complexes should vigorously wage the struggle for increased production and economy, increasing production with existing labor, equipment, and material. They should also map out rational steps to increase economic efficiency to a maximum in production and management.

What is also important for functionaries of state economic organs in guiding economic work with a high sense of responsibility is to establish strong discipline in order to thoroughly execute the decisions and instructions of the Administration Council.

The decisions and instructions of the Administration Council are based on the behests of the great leader [widachan suryong] and the party's policy, and are to be thoroughly implemented. Thus, the party's intentions cannot be embodied in socialist economic construction without the establishment of strong discipline.

Functionaries of state economic organs should correctly view the decisions and instructions of the Administration Council, and should thoroughly establish discipline and order by which all problems concerning economic work can be resolved under the Administration Council's coordinated instruction and control. In particular, by the day, by the month, by the quarter, and by the indicators, we must thoroughly carry out the revolutionary ethos of fully implementing the national economic plan, which is the party's order and the state's law.

For functionaries of state economic organs to guide economic work in a substantial manner with a high sense of responsibility, they should endlessly increase their quality and be well versed in their work.

All functionaries of state economic organs should intensify their studying; be firmly armed with our party's chuche-oriented socialist economic management theory; and be possessed with an abundant knowledge of economics as well as science and technology. Thus, they should prepare themselves as men of ability who easily carry out economic work no matter how difficult and complicated the tasks may be, and who cope with these tasks under any circumstances.

The party's expectation for economic guidance functionaries is great. Functionaries of state economic organs should be deeply aware of the glorious and responsible duty and position they possess, and should tenaciously

carry out their guidance work on economics in a substantial manner, thus highly demonstrating the spirit of chuche Korea that advances toward the red banner by effecting new upsurges in socialist economic construction.

DPRK: Province Applies Technological Innovations to Production

SK2508120696 *Pyongyang Korean Central Broadcasting Network in Korean*

1200 GMT 23 August 96

— DPRK-owned central radio network

[FBIS Translated Text] South Hwanghae Province is striving to innovate technology in conformity with the party's revolutionary economic strategy. According to the statistics compiled, the province applied some 2,400 cases of technological renovations and rationalizations to production in the first half of this year. This further modernized the existing production process, and saved 265 tonnes of iron and steel, 420 tonnes of oil, some 850 tonnes of coal, and 274,000 kwh of electricity. In addition, it reduced the amount of hard work and contributed greatly to improving the quality of goods.

South Korea

ROK: U.S. Congressman Says Food Crisis 'Extremely Aggravated'

SK2508055796 *Seoul YONHAP in English*

0546 GMT 25 Aug 96

— Semi-official news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 25 (YONHAP) — Food situation in North Korea is extremely aggravated due to horrendous flood damage last month and is plunged into a virtual state of disaster, a U.S. Congressman fresh from a four-day visit to the North said here Sunday.

Rep. Tony Hall of Dayton, Ohio, who flew into Seoul from Pyongyang Saturday [24 August], told Foreign Minister Kong No-myong over breakfast at the Plaza Hotel in downtown Seoul, "Food shortages in North Korea have aggravated [as received]. Damage from this year's flooding is affecting crops directly," according to Yu Myong-hwan, director general of the Foreign Ministry American Affairs Bureau.

Hall toured Hwanghaeto Provinces for two days to assess damage from the flooding. North Koreans receive a daily food ration of only 200 to 300 grams, even soldiers look awfully loose from malnutrition, and citizens harvest even unripe grains to eat, Hall was quoted as saying.

But social order is maintained in the North, no scrambles for food are seen, and priority is given to children

in food rationing, according to the American Congressman, who chairs the House Democratic Task Force on Hunger.

In Pyongyang he met with North Korean Vice Foreign Minister Kim Kye-kwan and American Affairs Bureau Director Yi Hyong-chol. They asked to Hall for a large-scale food assistance on a humanitarian basis, and appeared to expect assistance from South Korea as well, Hall was quoted as telling Kong.

"They evidently do not want to have the food aid issue linked with the proposed four-way Korean peace talks," Hall added.

Spence Richardson, former chief of the State Department's Korea desk, who accompanied Hall to Pyongyang, is, meanwhile, staying behind to discuss arrangements for the second survey of the excavation site of the remains of American soldiers killed in action during the Korean war, Yu said.

Director-designate of a U.S. liaison office in Pyongyang, Richardson will also negotiate with North Koreans on traffic and transportation through the truce village of Panmunjom with respect to the exchange of liaison offices in Pyongyang and Washington.

Following his breakfast meeting with Kong, Hall met with Yu Chong-ha, senior presidential secretary for foreign and security affairs.

Hall is slated to depart the Kimpo International Airport Sunday afternoon, after holding a press conference there.

ROK: DPRK May Be Improving U.S. Relations to 'Reelect' Clinton

SK2408041696 *Seoul THE KOREA HERALD*

in English 24 Aug 96

p 2 — Generally pro-government English-language daily

[By staff reporter Kim Kyong-bo]

[FBIS Transcribed Text] After a lull of some months, the United States and North Korea are resuming their contacts in order to improve bilateral relations.

U.S. Rep. Tony Hall flew into Pyongyang Wednesday to take a firsthand look at North Korean food shortages.

He was accompanied by Karl Spence Richardson, former head of the U.S. State Department's Korea Desk, who was named Tuesday as director of an eventual U.S. liaison office in Pyongyang.

Hall, a Democrat from Ohio, who has been involved in hunger issues, is scheduled to arrive in Seoul today for

a briefing with South Korean officials on the outcome of his trip.

A group of North Korean officials are scheduled to visit Washington later this month.

A South Korean official said Yi Kon head of the American division at the North Korean Foreign Ministry, and three other North Korean officials will arrive in Washington next Wednesday to attend a seminar organized by the Brookings Institute.

The North Korean officials are also expected to meet with officials from the U.S. State Department, he said.

The exchange visits may offer an opportunity to the Clinton administration to pull off diplomatic breakthroughs, including the exchange of liaison offices, ahead of the U.S. presidential election in November.

A U.S. State Department spokesman said Tuesday that Richardson will likely "have an opportunity to discuss technical matters" regarding the opening of liaison offices during the visit, though he stressed the purpose of Richardson's trip was to facilitate Hall's trip to North Korea. South Korean officials said they are receptive to the exchange of liaison offices between Washington and Pyongyang.

But they said they do not expect it to happen in the near future.

Their expectation was based on North Korea's refusal to allow U.S. officials to travel to and from Pyongyang through the inter-Korean border village of Panmunjom.

"North Korea could remove this obstacle overnight, if it really wants to exchange liaison offices with Washington," said an official at the South Korean Foreign Ministry.

But it is possible that Pyongyang will change its policy and allow U.S. diplomats to pass through Panmunjom and exchange liaison offices in order to help reelect President Clinton, whose administration would be less hostile than a Republican administration.

The Republican Party has pledged to disregard U.S. obligations under the 1994 nuclear accord with Pyongyang if it wins the upcoming election.

North Korea may soon give a formal response to the South Korean-U.S. proposal for peace talks also involving China.

Yi Kon, the North Korean official, may deliver a North Korean message when he visits Washington.

Japanese scholars, who visited North Korea earlier this month, quoted North Korean officials as saying they prefer to exclude China in the proposed peace talks.

But South Korean officials said the quoted remarks by North Korean officials appear irrelevant. They said China, which has great influence on North Korea, would never allow itself to be excluded from the proposed peace talks.

ROK: YONHAP Cites U.S. State Department on Pyongyang Remarks

SK2408005596 Seoul YONHAP in English
0033 GMT 24 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Washington, Aug. 23 (YONHAP) — On North Korea's recent criticism of the political situation in the United States and its implications in the 1994 agreed framework agreement, U.S. State Department Spokesman Glyn Davies said that it is not proper for foreign governments to comment on the internal politics of America.

The North's Korean Central News Agency warned Friday (23 August) that Pyongyang would annul the agreement, in which North Korea agreed to terminate its suspected nuclear arms program in exchange for two nuclear plants and fuel, and boycott the proposed four-party peace talks should there be a lack of support for the issues from Washington.

The agency was apparently referring to recent attacks by the Republican Party on U.S. policy toward North Korea.

Davies said Washington has no particular comment on the North's threat to pull out of the agreement and to snub the peace talks.

On the scheduled exchange of liaison offices between Pyongyang and Washington, the spokesman said that though the U.S. Government eagerly awaits the establishment of such offices, there has been no change in their current situation. He added that technical problems related to the offices remain.

ROK: Japan 'Most Preferred Partner' for Industrial Alliances

SK2408032096 Seoul THE KOREA ECONOMIC WEEKLY in English 26 Aug 96 p 8 — *Economic newspaper published by the HANGUK KYONGJE SINMUN*

[FBIS Transcribed Text] Japan is the most preferred partner for an industrial alliance by domestic small and mid-sized companies, a survey by the Small and Medium Industry Promotion Corporation (SMIPC) said.

According to a SMIPC survey of 302 small and mid-sized companies seeking a partnership with foreign

companies, 41.3 percent of the respondents said that they will choose Japan as a partner for future cooperation.

Europe accounted for 21 percent of the favor by Korean companies for a partnership, followed by the US which earned a preference of 14.6 percent.

By type of the cooperation, most Korean companies, or 43 percent, wanted a technical tie-up, while 24.4 percent hoped for a joint venture.

SMIPC attributed the significant preference by Korean companies for Japan as a cooperational partner to a similarity in cultural background and industrial system, and geographical proximity.

ROK: DPRK Said To Request 1 Million Tons of Grain for Talks

SK2608011496 (Internet) The Digital Chosun Ilbo
WWW in English 1148 GMT 25 Aug 96

[FBIS Transcribed Text] North Korea is requesting 1 million tons of grain as a condition for participating in the forum to be jointly-held by U.S. and South Korea to explain the objectives and contents of the 4-party talks, it was announced Sunday. A government official said that North Korea has made this request through recent contacts between the U.S. and North Korea in New York. This is the first time that the size of the North Korean request was disclosed.

The official said there is no appeasement plan to hold the joint forum for North Korea. The South Korean government's stance is, as announced in President Kim Yong-sam's August 15th Announcement, only when the 4-party talks is held, can issues such as agricultural assistance be discussed.

ROK: Article Views Candidates for DPRK Premiership

SK2608110096 Seoul CHUNGANG ILBO in Korean
26 Aug 96 p 5 — Widely read daily newspaper owned by the Samsung Business Group

[Article by reporter An Hui-chang: "Rumors of a Large-Scale Personnel Change in North Korea in October — Emerging Candidates for Premiership"]

[FBIS Translated Text] Kim Chong-il's rule over North Korea in the two years since Kim Il-song's death is characterized by no major personnel changes.

He appointed Choe Kwang minister of the People's Armed Forces eight months after O Chin-u died. Also, the premier of the Administration Council, Kang Song-san, has not conducted any business for several months due to illness. Still, Kim Chong-il has not done anything

about this. The only major reshuffle he undertook was a reshuffle of important generals last October. Meanwhile, he filled some minor posts made vacant due to the holders' deaths or other reasons. It is believed Kim Chong-il thinks he "has no reason to invite trouble by undertaking personnel changes at a time when North Korea is in a difficult situation due to food shortages and other reasons." "Single-hearted unity" is one of the expressions welling up and describing the post-Kim Il-song situation in North Korea. North Korea's privileged class unanimously pledges, and hopes, to overcome the difficult current situation by single-heartedly uniting around Kim Chong-il.

Therefore, it is speculated that Kim Chong-il is refraining from replacing the first-generation revolutionaries with those of younger generations and placing his close confidants at the forefront.

A Korean businessman residing in the United States who recently visited North Korea said there would be a large-scale cabinet reshuffle in October. This businessman, who is well versed in North Korean affairs, said that North Korea is expected to fill high party and government posts with new faces in order to declare its will to open up its economy, using the Najin-Sonbong investment seminar scheduled for September as an opportunity.

Thus, the focus of attention is on the administration rather than the party, which has stayed away from running state affairs these days. Also, as a matter of course, the issue of who will succeed Premier Kang Song-san is the focus of attention. An economic revival is North Korea's primary task. Therefore, a few economic bureaucrats are deemed to be candidates for the post. The first candidate is Han Song-yong, a Workers Party secretary in charge of economic affairs and Political Bureau member.

He has served in important posts in the party and government, such as deputy director of the party's heavy industry department, second machine industry minister, and vice chairman of the Economic Policy Committee of the Central People's Committee. He has been a Political Bureau member since 1990. This means Kim Chong-il has great trust in him. Defector Kang Myong-to said: "I heard Kim Chong-il preferred Han Song-yong as premier in the December, 1992, reshuffle of the Administration Council. However, Kang Song-san was chosen as Kim Il-song's nominee."

Political Bureau Member Hong Song-nam, who has been known as acting premier, is another strong candidate. He is a representative technocrat who has served in the economic sector ever since he graduated from the Machine Industry Faculty of Prague University. He

served as director of the party's heavy industry department, chairman of the State Planning Committee, and chairman of the Economic Guidance Committee of South Pyongan Province. In North Korea he is assessed as having skillfully handled economic cooperation with China during his visit there toward the end of May. These two people are considered to be candidates because of their past careers. Kim Chong-il may fill the post with a man in his fifties if he thinks the "time has come for a general change."

Also, former Vice Premier Kim Tal-hyon and Kim Chong-u, vice chairman of the State External Economic Affairs Commission, are strong candidates. Kim Tal-hyon, who was demoted to the post of the manager of the 8 February Vinalon Complex, is said to be the most appropriate person for the post if North Korea opens itself up in earnest.

ROK: History of DPRK Policy on Farmers Market Reported

962C0105A Seoul NAEWOE TONGSIN in Korean
11 Jul 96 No 1013, pp E1-E4

[Report in the "Weekly Feature" column: "Control Measure for 'Farmers Markets' Mired in Confusion"]

[FBIS Translated Text] North Korea is in utter confusion with its policy on farmers markets.

In a nutshell, it is mired in trials and errors, repeating control and decontrol alternately.

It is known that in North Korea, farmers markets first appeared in about January 1950.

By the "regulations concerning farmers markets" announced in January 1950, authorities allowed each county to set up the farmers market in one or two places and to open it three times a month.

At the time, commercial transactions at the farmers market were limited to farmers, who were allowed to sell freely farm produce, livestock products, and daily necessities. The name "farmers market" itself is said to have come from the fact that "only farmers were allowed to sell goods there."

Transactions at farmers markets were placed under control in 1958.

North Korea banned all privately owned or managed commercial activities in August 1958 by "Cabinet Decision No. 140." Thus, farmers markets were shut down upon the completion of nationalization or cooperativization on all commercial activities as a result of the so-called socialist planned economy.

Farmers markets had since been banned officially for approximately 26 years until permitted again in the latter half of 1984.

Needless to say, even in this period, they continued to exist in some regions with officials' connivance, although not publicly.

In this respect, some North Korean economists submitted recommendations to Kim Il-sung and asked for strict control, stating that "operations of the farmers market could promote capitalist elements among farmers." Kim Il-sung ignored them, however, concluding in March 1969 that "farmers markets cannot be stamped out in this stage of socialism; they will die out when the conversion comes of the cooperative ownership into all-people ownership."

When North Korea permitted farmers markets again in 1984, cities such as Pyongyang were allowed to set up one market per district and open it daily; in rural areas, each county could set up one market and open it once every 10 days, according to reports.

At the time, North Korea set up the "market tax office" in every market to collect a rental fee. It even showed enthusiasm in the running of farmers markets by opening restaurants and soft drink corners inside markets, it is said.

The rental fee then was 30 chon in the North Korean currency.

Behind the North Korean move to permit farmers markets again in 1984 was the successive failures of the First 7-Year Plan (1961-70), the 6-Year Plan (1971-76), and the Second 7-Year Plan (1978-84), which were all launched to lay socialist economic foundations and improve the residents' living conditions, which left the people in a worse economic plight.

People saw their hopes of a better life going up in smoke. The resultant disappointments amplified their frustrations in consumer life. Officials keenly felt the need for easing their frustrations and, to that end, allowed the reopening of farmers markets after partly revising their functions, according to observers.

Under the 1984 revision of their functions, the free sales permitted at farmers markets were limited to the surplus produce of cooperative farms, plus whatever was produced from residents' private plots adjacent to their houses (20-30 pyong) such as vegetables and livestock products and some miscellaneous grain (such as red beans, sesame, and peas).

At the time, North Korea, while permitting farmers markets again, launched the "3 August household work

team creation movement" and the "3 August movement for increased production of people's consumer goods."

As the shortages of daily necessities caused by a supply-demand imbalance became increasingly serious, Pyongyang launched these movements to organize household work teams in factories and enterprises in various areas to produce a variety of daily necessities using by-products and wastes.

Goods produced through the 3 August people's consumer goods production movements were sold to residents in the direct sales stores of the respective cities, counties and districts.

The farmers markets were placed under control again in early 1987, however.

As the grain output fell rapidly because of the terrible crop failures in 1985 and 1986, North Korea took action in February 1987 and seized all the private plots adjacent to housing on the grounds that farmers were devoting more of their labor to the cultivation of their private plots than to their cooperative farm work.

The grain output fell from 4.67 million tons in 1984 to 4.19 million tons in 1985 to 4.02 million tons in 1986.

In consequence, commercial transactions in local farmers markets withered. They became more sluggish as authorities intensified the crackdown on them in 1991 on the pretext of ending the spread of nonsocialist phenomena.

In 1991, North Korea put farmers markets under strict restrictions by reducing them to a market which opens once every 10 days (on the first, 11th, and 21st days of each month). At the same time, the market tax office was ordered to be more stringent in collecting two to five won in taxes by quantity of goods brought in.

The restrictions were eased again in 1993.

The farmers markets, earlier reduced to markets opening once every 10 days, were again allowed to open daily.

The fact that North Korea is mired in policy confusion regarding the farmers market, repeating control and decontrol alternately, is because the government is unable to meet the public's demands for food and other necessities needed in their daily living.

The reason for the confusion is this: If North Korea should intensify a crackdown on the grounds that the farmers market features a capitalist element inconsistent with the socialist planned economy in the form of free sales, it would further worsen the already poor living conditions of the residents, and authorities would see complaints and discontent thus caused getting out of hand.

Currently, in the farmers markets in various parts of North Korea, banned items including food grains such as rice and barley, as well as a variety of industrial goods like tobacco and wine, are illegally sold and bought despite the control by authorities, giving rise to a new social problem.

For instance, executive officials in the central wholesale markets would turn a blind eye to forwarding workers and goods recipients, pilfering goods by falsifying vouchers and receiving—as a price for it—lots of goods that should have been distributed to state-operated stores, in bribes. Also, in military units where the food situation is relatively better, officers—including division commanders down to accounting directors and warehouse foremen—would pilfer staple and side-dish foods issued for soldiers and sell them through illegal channels.

It is said that such illicitly distributed goods account for 80 percent of transactions in industrial goods at the farmers markets.

As illegal transactions of banned goods spread in farmers markets plunging the "state pricing system" into chaos, North Korea has stepped up the crackdown on black marketing by mobilizing Public Security Ministry personnel.

However, the tyranny of public security men in the name of law enforcement has become another matter of grave concern. They behave audaciously, perpetrating outrages against residents in the name of law, kicking them and threatening them with pistols.

In a recent case, according to a defector's testimony, three or four public security men showed up in the Songsin-tong farmers market in Pyongyang and ordered merchants to "disperse immediately"; while they were chasing them away, an old man confronted the officers, accusing them of being "rude to old folks." They beat him up, causing him to be paralyzed on one side.

The mounting despotism of public security men brought on new phenomena of merchants moving from place to place to avoid the crackdown and do their business at spots like crossroads where they can find crowds of people, prompting residents to call the farmers market "a mobile market."

Amid a hide-and-seek game like this going on between enforcement personnel (public security men) and merchants, North Korea, in about October last year, launched a program to seize and retrieve foodstuffs illegally sold in farmers markets; as a result, hundreds of black-market dealers and residents refusing to deliver to authorities the allotted portions of harvests from their

private plots were executed publicly after circuit court trials, according to reports.

In short, Pyongyang's farmers market policy is disoriented and drifting hither and thither between control and decontrol. And amid this confusion, residents are compelled to tide over the dire shortages in their daily living, struggling to obtain foods and necessities through farmers markets since the government can no longer meet their demands for them.

ROK: PRC Sentences North Korean for Kidnapping Pastor

SK2608085296 Seoul YONHAP in English

0827 GMT 26 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Beijing, Aug. 26 (YONHAP) — A lower court in China recently sentenced a North Korean to two years in prison for kidnapping South Korean Pastor An Song-un in June of last year in northeastern China, Vice Foreign Minister Yi Ki-chu said Monday.

The 41-year-old Yi Kyong-chun was also ordered to leave China, the vice foreign minister said while meeting reporters over lunch on a meeting Sunday with his Chinese counterpart Tang Jiaxuan.

The Chinese court convicted Yi of detaining Pastor An and illegally crossing the Chinese border into North Korea, Yi Ki-chu said.

The verdict showed that Pastor An was taken to North Korea against his will, an official accompanying Vice Foreign Minister Yi said.

Vice Foreign Minister Tang of China failed to comment on the fate of the three Chinese involved in the kidnapping case but sources said that the Chinese, all ethnic Koreans in Yanbian, Jilin Province, were convicted, according to the official.

Vice foreign minister Yi quoted Tang as saying that "Yi appealed to an appellate court and the Supreme Court was examining the case. The process for the trial at the Supreme Court will be completed soon."

The Chinese side insisted during the talks with Yi Ki-chu that the real victim in the kidnapping case is China because although the incident involved only South and North Koreans despite that it took place in China.

China also strongly demanded that the Seoul government take measures to prevent South Korean religious organizations from engaging in illegal missionary work in China.

The Chinese side also expressed strong displeasure with the recent trend in which South Koreans inspire

nationalist sentiment in Northeast China, once called Manchuria.

The two vice foreign ministers shared the view during the talks that Seoul and Beijing need to sign a judicial cooperation pact to effectively cope with matters caused by the recent upsurge in civilian exchange between the two sides.

They agreed to hold a meeting of working level officials by the end of the year to discuss the matter.

The two also agreed that the vice foreign ministers' meeting be held annually.

China meanwhile hinted during the talks that it is at odds with North Korea on the four-party meeting proposed by South Korea and the United States for a permanent peace regime on the Korean peninsula.

ROK: Court Sentences Chon to Death, No to 22.5 Years in Prison

SK2608031996 Seoul YONHAP in English

0307 GMT 26 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 26 (YONHAP) — Former Presidents Chon Tu-hwan and No Tae-u were sentenced Monday to death and 22 and a half years in prison, respectively, for their leading roles in the Dec. 12, 1979, military coup, the bloody May 18, 1980, suppression of a democratization movement in Kwangju, and amassing wealth through illicit means while in office, initial reports said.

In a historic court ruling on the legality of "a successful coup d'etat," a panel of judges in the Seoul District Court accepted the prosecution's recommendation for capital punishment for Chon on nine counts of offenses.

ROK: Chon Fails To React When Sentence Read

SK2608071096 Seoul YONHAP in English

0703 GMT 26 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 26 (YONHAP) — Former President Chon Tu-hwan did not show any particular signs of remorse or shock when the presiding judge sentenced him to death and later shook hands with No Tae-u and other defendants sitting near him in a composed manner.

It seemed that Chon was trying to keep his dignity as a boss to the last minute.

No stood up facing judges just before his sentence was read. Immediately after being sentenced, No, with

a poker face, grasped the hands of Chon. Chon put forward his hands and No held them.

Pak Chun-pyong, acquitted on charges involving the May 18 civil uprising, and others who received shorter prison terms than requested by the prosecution, looked rather relieved as they shook hands with their lawyers in the courtroom.

A hush fell over the courtroom when the sentences were meted out but a flurry of whispers soon followed in response to the "severe punishment" handed down to the former presidents.

ROK: Chongwadae Offers 'No Comment' Over Sentencing of Chon, No

*SK2608032896 Seoul YONHAP in English
0623 GMT 26 Aug 96*

Semiofficial news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 26 (YONHAP) — The presidential office at Chongwadae [presidential offices] had no official comment on the sentences meted out to two former presidents Monday, refusing to comment on the possibility of President Kim Yong-sam granting them amnesty.

Presidential aides said that it would be absurd for them to comment on the possibility of amnesty when the cases involving Chon Tu-hwan and No Tae-u are still to be reviewed by the appellate court and Supreme Court.

An aide asked, "What does Chongwadae have to say about the lower court decisions at the moment? It's up to the court."

Another presidential secretary said that "the position of Chongwadae is that it will respect the indigenous right of the judiciary and will remain attentive to the issue until the Supreme Court makes a final decision."

The secretary added, "That is not an issue about which we should make political comments one way or the other."

The aides just pointed out that the sentences are the result of President Kim Yong-sam's belief that there should never be any more power usurpation or suspension by force of constitutional rule in the country.

They added that the punishment of the two former presidents will be at the core of President Kim's "correction of history" task.

President Kim Yong-sam had no official functions Monday except for a weekly briefing by Unification Minister Kwon O-ki.

ROK: YONHAP Reports on Sentences for Chon, No, Other Defendants

*SK2608032496 Seoul YONHAP in English
0316 GMT 26 Aug 96*

Semiofficial news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 26 (YONHAP) — Following are the sentences meted out to people accused of involvement in Dec. 12 or May 18 incidents Monday.

Chon Tu-hwan — death
No Tae-u — 22 and a half years in prison
Chong Ho-yong — 10 years in prison
Hwang Yong-si — 10 years in prison
Yi Hui-song — 8 years in prison
Ho Sam-su — 8 years in prison
Ho Hwa-pyong — 10 years in prison
Yi Hak-pong — 10 years in prison
Yu Hak-song — 8 years in prison
Chu Yong-pok — 7 years in prison
Cha Kyu-hon — 7 years in prison
Chang Se-tong — 7 years in prison
Choe Se-chang — 8 years in prison
Pak Chun-pyong — acquitted

ROK: Further on Sentencing of Presidents Chon, No

*SK2608050696 Seoul YONHAP in English
0456 GMT 26 Aug 96*

Semiofficial news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 26 (YONHAP) — Former Presidents Chon Tu-hwan and No Tae-u were sentenced Monday to death and 22 1/2 years in prison, respectively, for orchestrating the 1979 military coup, brutally suppressing the 1980 pro-democracy movement in Kwangju and taking bribes while in office.

The Seoul District Court also ordered the confiscation of 225.95 billion won and 283.896 billion won from Chon and No, respectively, saying that the two took the respective amounts in kickbacks from businessmen.

The court also meted out 10-year prison terms each to four of Chon's former aides — Hwang Yong-si, Chong Ho-yong, Yi Hak-pong and Ho Hwa-pyong — and eight-year terms each to Yi Hui-song, Ho Sam-su, Yu Hak-song and Choe Se-chang.

They were all convicted of playing important roles either in the putsch of Dec. 12, 1979, or the bloody suppression of the civil uprising in May 1980, in which hundreds of civilians were killed.

Chu Yong-pok, Cha Kyu-hon and Chang Se-tong each were sentenced to seven years in prison and four-year

terms were handed out to Sin Yun-hui and Pak Chong-kyu for similar offenses.

Hwang Yong-si, Chang Se-tong, Yi Hak-pong, Choe Se-chang, and Yu Hak-song who had been put on probation after a six-month detention, were arrested right away after they were convicted by the court. Cha who had been indicted without physical detention was also arrested in the courtroom.

The court, meanwhile, acquitted Pak Chun-pyong on the charge of taking part in rebellion in connection with the military coup, ruling that Pak was unaware of then Army Chief of Staff Chong Sung-hwa's arrest when he attended the "Kyongbok Palace Meeting," where the Dec. 12 coup was plotted.

"Furthermore, the court cannot acknowledge the charge that Pak mobilized his troops to keep army headquarters troops in check," the judgment said.

~~Delivering the sentences, the court convicted the accused of committing rebellion by illegally mobilizing troops to apprehend Chong Sung-hwa.~~

~~The court, however, acquitted them on the charge that they brutally suppressed the 1980 Kwangju civil uprising with the intention of treason and undermining the constitutional order of the country.~~

The defendants, however, were convicted of plotting treason, blockading the National Assembly and exercising the army troopers' right to self-defense in the course of the crackdown on the Kwangju uprising.

Charges against Chong Ho-yong and Hwang Yong-si, who were accused of homicide for the purpose of treason, therefore, were dropped by the court.

ROK: President Kim's Agenda for Remainder of Term Viewed

SK2308033396 Seoul THE KOREA TIMES in English
23 Aug 96 p 2 — Daily English-language newspaper
published by HANGUK ILBO

["News in Review" column by political editor Chong Un-bong: "Kim Has Only a Little More Than a Year to Go"]

[FBIS Transcribed Text] President Kim Yong-sam looked presidential when he put his foot down on militant student activism. Meeting with presidents of universities across the country at Chongwadae Wednesday, Kim was firm against illegal student activism advocating the policy line of North Korea.

In unmistakable terms, he called the Hanchongnyon, or Korean Federation of University Student Councils,

which pulled off the nine-day vandalism on the campus of Yonsei University, a pro-North Korea organization.

He said the student body is "anti-state, anti-democracy and anti-unification" and a force that has to be rooted out at all cost. Asking the university presidents and professors to exert more efforts in getting rid of twisted and anachronistic student activism, Kim made no qualms in venting criticism against some faculty members for not having done what they should have done against way-ward students.

He said the destructive nature of the activism, which was well manifested on Yonsei campus, should be distinguished from the democratic student movement against military dictatorships in the past.

Taking advantage of the mounting public criticism of the horrible turnout of student activism, President Kim is sure to tighten his grip as head of state.

Now, the pendulum has started to swing back to conservatism. Conservatism is now having a great run. This is well illustrated by a series of comments the National Congress for New Politics has released on Hanchongnyon.

~~Initially, the nation's major opposition party was lukewarm in its criticism. But the party gradually came into the government line.~~

However, the NCNP holds the view that the government's lack of a consistent unification policy is in part responsible for the horrible rioting.

The issue of student activism will prevail for some time, particularly at the National Assembly when its regular 100-day session opens early next month.

President Kim's political agenda at hand is enormous. He will soon embark on a Latin American visit Sept. 2-17. Presidential hopefuls in the ruling New Korea Party which he leads are busy preparing for a leap into the sizzling nomination race.

The nomination issue is very serious and can become explosive depending on how he will handle it.

Even during the heat of the rioting by the militant activists on the Yonsei campus, Kim served a stern warning on party stalwarts with presidential ambitions.

He said, "There will be no future for those who independently voice their personal views on the presidential candidacy issue." President Kim earlier asked the party members to keep the issue under a tight lid until the middle of next year.

However, his earlier warning was not well heeded. President Kim, wary of the lame duck phenomenon,

may have felt the need to rein in presidential hopefuls before it is too late.

With the presidential election set for December next year, he has a little more than a year to go. And therefore, the rise of a lame duck phenomenon is natural. If he tries to defy this, he is liable to commit excesses, which is not good for him and the nation.

President Kim is a single-term President under the Constitution. This means that no sitting president is allowed to seek re-election. Not seeking re-election alone is not all there is to the single-term presidency. More important is the obligation implicit in the single-term presidency.

Once a president leaves office, he should become just a plain citizen. Politically, he should behave as good as dead and not engage in politics nor social activities.

If a former president tries to flex his muscle from the sideline, it would be disastrous to him personally and the nation as well. This was eloquently attested to by the two former generals-turned president, Chon Tu-hwan and No Tae-u.

Regretfully, the two disgraced former presidents grossed unimaginably large amounts of money while in office.

~~Chon allegedly tried to inaugurate a new political party while No tried to use the money for something he said was beneficial to the nation. No one wants to see former heads of state swagger around, doing this and that. Rather, the general public wants to see them live a humble life, redeeming themselves for the sufferings they might have inflicted on people in the execution of state policies.~~

Now, President Kim has a little more than a year to go in office. It is desirable for him to devote himself to state affairs, not political ones, letting history be the final judge. Public opinion is not a thing to be reckoned with because it is fleeting.

ROK: Kim Sang-hyon Declares Bid for NCNP Presidential Nomination

SK2308035896 Seoul THE KOREA HERALD
in English 23 Aug 96

p 2 — Generally pro-government English-language daily

[FBIS Transcribed Text] Rep. Kim Sang-hyon, a senior official of the main opposition National Congress for New Politics (NCNP), declared yesterday that he will run against party leader Kim Tae-chung for the presidential nomination.

"Our party's presidential candidate should be determined through real competition. I will run in the nom-

ination race next year," he said in a speech to a civic group.

In the past, the lawmaker, who ranks second in the party hierarchy, has demanded that the party elect the NCNP's standard-bearer in an unrestricted competition under its bylaws.

Past presidential nominations have often remained ceremonial with unchallenged opposition party leaders being endorsed by deputies with applause.

"I will do my best to bring democracy into our party," said the five-term lawmaker, who was the first among presidential hopefuls from either the ruling or opposition parties to declare his bid for the presidency.

But Rep. Kim said if he fails to win the nomination, he will back party leader Kim Tae-chung in the presidential election slated for December next year. Kim Tae-chung has yet to make an official announcement about his presidential ambition.

In the face of a challenge from Rep. Kim Sang-hyon, Kim Tae-chung has been crisscrossing the nation to broaden his support base.

In his speeches, he is promoting himself as the most suitable choice for the next President.

"I have the feeling that the nation needs me," he said in a recent speech.

He will announce his presidential candidacy possibly by next summer, NCNP officials said.

Rep. Kim Sang-hyon's challenge to Kim Tae-chung's presidential bid came amid calls for one presidential candidate representing the whole opposition camp.

Rep. Yi Pu-yong of the minor opposition Democratic Party, said Wednesday that the opposition camp will be doomed to lose if both Kim Tae-chung and Kim Chong-pil, leader of the second largest opposition party, decide to run in the presidential race.

Their candidacy would only help turn voters away from the opposition, hurting the chances of a power transfer from the ruling to opposition camp, Rep. Yi said.

The Democratic Party has striven in the past to end the political dominance of the three Kims-President Kim Yong-sam, Kim Tae-chung and Kim Chong-pil, president of the United Liberal Democrats, who promotes a change in government structure.

Rep. Kim Sang-hyon of the NCNP said he is opposed to a proposed constitutional amendment in favor of a cabinet system of government before the presidential election next year.

"It is desirable to hold next year's presidential election under the current presidential system of government," he said. "A change to the cabinet system is feared to intensify power struggles."

The cabinet system is advocated by Kim Chong-pil of the United Liberal Democrats, who is trumpeting his willingness to join hands with any political force that shares his ideas, while making a conciliatory gesture to NCNP leader Kim Tae-chung, who sticks to the presidential system.

Kim Chong-pil is expected to run in the presidential election next year if it is held under the current Constitution.

ROK: Daily Views Kim Yong-sam's Silence on Party Candidacy

SK2208110096 Seoul TONG-A ILBO in Korean
20 Aug 96 p 4 — South Korea's second-largest and second-oldest daily newspaper

[Article by reporter Kim Tong-chol: "Kim Yong-sam Keeps Silent for 10 Months — Next Presidency Is Shrouded in Fog"]

[FBIS Translated Text] What is called "Kim Yong-sam's intent" is considered to be the most important variable in the presidential election slated for next year. Not only the ruling camp, but the opposition parties as well, are paying keen attention to it. However, so far this year Kim Yong-sam has kept silent about the ruling camp's presidential candidate.

President Kim often expressed a strong desire for a generational change whenever he gave interviews to domestic and foreign reporters last year. He also talked about the kind of person who should become president. However, he has not directly mentioned the ruling camp's presidential candidate in the 10 months since he gave an interview to Japan's NIHON KEIZAI SHIMBUN on 9 October.

Ranking aides at Chongwadae [presidential offices] have kept silent, as well. They state that it is too early to talk about a presidential candidate, when the end of President Kim's term is one and a half years away. They also say that it is time we make every effort to resolve all pending issues, including the ever-worsening domestic economic situation and the North-South issues caused by the unpredictable North Korean situation.

In contrast to the opposition parties, who will almost certainly select Kim Tae-chung and Kim Chong-pil as presidential candidates, the ruling camp has already been noisy regarding its presidential candidate. People have also paid keen attention to the ruling party's candidacy. However, Kim Yong-sam has kept silent. His

silence is interpreted as his strong wish that the party should refrain from talking about the new presidency until the end of this year.

However, the leadership of the ruling camp seems to have already started the process of examining prospective candidates, because they believe they must remain in power to continue and complete their "changes and reforms."

President Kim's reaction to this issue is not known. One thing is clear: President Kim will take great pains to have all prospective contenders remain in the party until the party congress to nominate a presidential candidate, which is scheduled for July or August of last year, at the latest.

Only Kim Sang-hyon and Yi Ki-taek are mentioned as opposition candidates, in addition to the two Kims. Leaders of the ruling camp say Kim Yong-sam thinks that an internal dispute in the ruling camp would be the biggest obstacle to its bid to remain in power.

After his defeat in the regional elections, Kim brought almost all the prospective presidential contenders into the ruling camp in an effort to reorganize the party in preparation for the parliamentary elections. As a result, as many as nine candidates have emerged, which is unprecedented in a ruling party. Among the nine, party Chairman Yi Hong-ku, permanent advisers Yi Hoe-chang and Pak Chan-chong, and Prime Minister Yi Su-song are those the party enlisted before the parliamentary elections; permanent adviser Choe Hyong-u, First State Minister Kim Tok-yong, and Governor of Kyonggi Province Yi In-che are members of the Reunification Democratic Party faction; and permanent advisers Kim Yun-hwan and Yi Han-tong are members of the Democratic Justice Party faction. The high of "the more, the better" worked during the parliamentary elections. But now, an adverse effect caused by the presence of too many contenders for the party candidacy may be fatal to the presidential election.

Because of this, President Kim's interest cannot help but be focused on how to dispose of them without trouble.

President Kim's remarks on the characteristics of the next presidential candidate are the only factors for judging President Kim's future decision.

In regard to the next presidential candidate, President Kim emphasized a shift in generation as many as five times last year. Regarding the characteristics for the presidential candidate, President Kim put forward sincerity and honesty; moral integrity; a reform-oriented nature, and strong leadership. In particular, in an interview with Japan's NIHON KEIZAI SHIMBUN, he

stressed "such a drastic shift in generation as to surprise the people" and "a young politician," thus causing a great deal of speculation and attention among the people.

The core circle in the ruling camp explains that President Kim's repeated emphasis on a shift in generations strongly implies "the end of the era of three Kims" (Kim Yong-sam, Kim Tae-chung and Kim Chong-pil), and that a shift in generation does not necessarily mean an age-oriented generational shift. In other words, most of the nine hopefuls for the presidential candidacy in the ruling sphere could be contenders for a shift in generation.

However, in actuality it appears difficult for all nine contenders to turn up in competition until the congress of the New Korea Party to be held next year. It is the general observation of political quarters and the idea of the core circle in the ruling camp that the work of nominating the ruling camp's presidential candidate will begin full-scale toward the end of this year, when the regular National Assembly session will close.

The greatest problem in this process is the issue of dealing with the key officials whom the party recently invited to join. Whether Prime Minister Yi Su-song will remain in office will be decided during a reshuffle of party and government officials expected toward the end of the year. However, the issue of how to treat and deal with party chairman Yi Hong-ku and standing advisers Yi Hoe-chang and Pak Chan-chong will not be easy. Advisers Yi and Pak played a certain role in contributing to victory in the capital sphere during the past general election. However, some party officials and the Democratic faction are not favorably disposed toward them. On the other hand, there is a very high degree of support for Yi and Pak among the people.

The next problem is how to deal with the internal affairs of the Democratic faction. The Democratic faction, which is the main leading force of the incumbent regime, has a strong attachment to nominating the next presidential candidate from within its own faction for the sake of the continuity of the regime. The Democratic faction will have to choose from one of three faction hopefuls, namely Choe Hyong-u, standing adviser to the party; Kim Tok-yong, minister of state for political affairs, and Yi In-che, governor of Kyonggi Province. It remains unknown who will be the ultimate winner, and, needless to say, President Kim has absolute influence over picking one of them as the next presidential candidate.

As for the Minjong [Democratic Justice] faction, there is a great possibility that Kim Yun-hwan, standing adviser to the party, will turn out to play a mediating role,

instead of running for the presidency. Meanwhile, Yi Han-tong, standing adviser to the party, may compete for the presidential nomination in the event that the theory on excluding the sphere of Yongnam district [North and South Kyongsang Provinces] wins support from the people.

Despite all these speculations and observations, President Kim's ideas and intentions are still shrouded in fog. The political sphere predicts that the direction of President Kim's intentions will be outlined only after the end of this year.

ROK: Former Vice Unification Minister Interviewed

SK2408060096 Seoul SISA JOURNAL in Korean
29 Aug 96 pp 28-29 — Weekly newsmagazine

[Interview with former Vice Minister of National Unification Song Yong-tae by reporter Pyon Chang-sop — place and date not given]

[FBIS Translated Text] [Pyon] The illegal demonstrations which students of the National Federation of General Student Councils [Hanchongnyon] staged on and around 15 August have become a major social issue. What do you think of the students' reunification movement?

[Song] I think it is correct for students to take interest in the national issue of reunification. However, we must seek to achieve reunification while maintaining law and order. Violent means will fail to win people's support and disrupt North-South relations. Support for North Korea's logic by any group in South Korea can only invite North Korea's misjudgment and strongly tempt North Korea to resolve North-South issues based on its united front strategy, not through official channels.

[Pyon] The door to North-South dialogue has remained closed since the inauguration of this current civilian regime. Why?

[Song] North Korea's priority policy goal is to maintain its own establishment. In order to do this, North Korea has, first and foremost, beefed up internal control; invited ROK businessmen to North Korea while ignoring the ROK Government; and sought to improve relations with the United States and Japan. It turns a blind eye to North-South dialogue because the ROK Government is thought to be the object of rejection or an overthrow. This is the basic reason for the lack of North-South dialogue.

[Pyon] Has North Korea's wariness of the ROK Government deepened since the socialist bloc collapsed?

[Song] Yes. Ever since the Soviet Union and East European countries collapsed in 1989, North Korea has felt uneasy about maintaining its establishment and fears that it may be absorbed and reunified by the ROK.

[Pyon] Why does North Korea feel uneasy about maintaining its establishment?

[Song] It has remained isolated by the prolonged economic recession and feels the disparity in North-South national strength. North Korea is in total chaos. Even so, it has not changed its policy toward South Korea. The latest demonstrations by the Hanchongnyon students can be correctly understood if they are viewed from this context.

[Pyon] North and South Korean emissaries reportedly met secretly in Beijing? Can you confirm whether or not this is true?

[Song] It is groundless. We should seek secret North-South contacts with prudence as we did during the Fifth and Sixth Republics. Secret contacts can achieve good results only when they are made at appropriate times and through appropriate channels. In that sense, the present situation is not appropriate for holding secret contacts.

[Pyon] North Korea is dealing directly with the United States in negotiations on U.S. remains and missiles. North Korea-U.S. relations have been improved, while North-South relations have remained stagnant. Is this not a problem?

[Song] North Korea thinks that bypassing the ROK Government in seeking to improve relations with the United States serves its purpose. However, this is not beneficial to improving North-South relations. The ROK and the United States have adopted a "principle of harmony and parallelism" in their policy toward North Korea. This entails the linkage of improvements in U.S.-North Korea relations to improvements in North-South relations. One of the problems that remains is: How to view negotiations on U.S. remains and other matters in U.S.-North Korea relations in relation to North-South issues. We must view them this way: The Geneva agreement signed in October 1994 stipulates that the Korean Peninsula Energy Development Organization and North Korea shall hold negotiations to carry out the light-water reactor project. We should understand that the United States and North Korea are holding dialogue from this perspective.

[Pyon] Since the U.S. and the ROK have different policy priorities, it would appear that the principle of "harmony and parallelism" would not be attainable.

[Song] U.S. and ROK policy toward the Korean peninsula have similarities, as well as differences. The U.S.

view of a soft landing is that one should help North Korea ease its economic difficulties because more serious economic difficulties would lead it to military provocations and deepen the crisis on the Korean peninsula. I sympathize with this concept. However, outside help to North Korea needs to be conducted with clear goals. Instead of assuming that assistance will keep North Korea from provocations, one must provide assistance to North Korea in order to induce its leadership to change its way of thinking. We believe North Korean society needs stability and change. It can change through reforms and opening up and by improving North-South relations. If we have no clear-cut concept of change, we may bring about the adverse effect of merely strengthening the North Korean regime.

[Pyon] Would you elaborate on the ROK's view of North Korea's soft landing?

[Song] I think we pursue two North Korean policies — one is the policy of achieving reunification through gradual and peaceful means, and the other is the policy of preparing for sudden reunification following a crisis situation in North Korea. We pay more attention to the first policy. However, the North Korean situation may not develop the way we want it to. We are faced with two challenges — pursuing peaceful reunification and getting ready for a crisis situation.

[Pyon] What should we do to change North Korea's attitude?

[Song] International factors exert the greatest influence on North Korea's domestic and foreign policies. The international community must provide assistance to North Korea, and it should do so with clear goals.

[Pyon] Do you think a soft landing is possible for North Korea?

[Song] North Korea may pull it off if it changes its way of thinking, even at this late stage. The fastest way for it to soft-land is to improve North-South relations. North Korea has received a little under \$30 million from the international community since last year's flood. The 150,000 tonnes of rice which we provided last year costs \$230 million. We have recently pledged another \$3 million. This means that the help that is being provided by the international community is very limited and not very helpful to North Korea. Consequently, it needs the ROK's assistance to fundamentally solve its food problem.

[Pyon] Some people point out that we lack confidence in dealing with North Korea, and point to how we appeared to be impeding U.S. progress in U.S.-North Korea relations lest U.S.-North Korea relations improve remarkably.

[Song] North Korea experts frequently say that North Korea seeks to "bypass the ROK in dealing with the United States." If the United States arrives first in Pyongyang without parallel progress by the ROK in North-South relations, Pyongyang's leadership will be less inclined to hold contacts and dialogue with the ROK.

ROK: CEMC Accuses Senior Lawmakers of Election Law Violations

SK2308030996 Seoul YONHAP in English
0234 GMT 23 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 23 (YONHAP) — The Central Election Management Commission (CEMC) has filed complaints in connection with suspected election law violations involving 20 incumbent lawmakers, including a former chairman of the ruling New Korea Party, Kim Yun-hwan, or their campaign aides, the commission announced Friday.

CEMC commissioners met for a plenary session and formally decided what action it was going to take against 3,568 people associated with suspected election law violations involving 1,096 of the 1,309 candidates in the April general elections.

The commission has decided that 109 violators will be accused, 231 others will be subject to investigations by law-enforcement authorities, and the remaining 3,228 were given warnings or admonitions.

Thirteen New Korea Party lawmakers were implicated, more than any other party. They include such seniors as Kim Yun-hwan, party advisor; O Se-ung, vice speaker; Mok Yo-sang, chairman, election fraud investigation parliamentary ad hoc committee; Hwang Pyong-tae, chairman, National Assembly Finance-Economy Committee; and Yi Se-ki, chairman, National Assembly Culture-Sports Committee.

Also included are Pak Se-chik, Yang Chong-kyu, Cho Chin-hyong, Yi Kyu-taek, Choe Uk-chol, Song Hun-sok and Chu Chin-u.

Three implicated legislators from the major opposition National Congress for New Politics are Kim Kyong-chae, Chon Chong-pae and Yi Ki-mun.

Two conservative opposition United Liberal Democrats — Pak Ku-il and Pak Chong-kun, one Democrat Che Chong-hu, and one Independent Kim Hwa-sam have also been implicated.

Of the 20 lawmakers involved in the election law violation cases filed with the prosecution for investigation, nine, including Rep. Hwang Pyong-tae of the NKP, are

the direct targets of investigations, while another nine are indirectly involved through their campaign accounting officers (who are direct targets of investigations) and the remaining two through their campaign managers.

In the worst case scenario, the nine lawmakers directly involved in the cases could lose their parliamentary seats and be deprived of the right to elected office for 10 years.

Those indirectly involved in the cases may also have their elections nullified if their campaign managers or campaign accountants are convicted of a crime severe enough to cancel the results of the election.

The CEMC found that 1,096 candidates who ran in the April parliamentary elections violated the election law in one way or another, which represents 79 percent of the all candidates.

In addition, a total of 420 officials from the political parties which took part in the election were found to have violated the law, and the CEMC has asked the prosecution to look into 73 of the violations.

ROK: YONHAP Considers Impact of Probe of Election Law Violations

SK2308082996 Seoul YONHAP in English
0747 GMT 23 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 23 (YONHAP) — The announcement by the Central Election Management Commission (CEMC) Friday of the results of its probe into the campaign funds used in the April parliamentary election dealt an unexpectedly big blow at political circles.

According to the announcement, an unexpectedly large number of lawmakers, including big shots from the ruling New Korea Party (NKP), or their aides have been implicated in election law violation cases, subjecting them to court trial.

This is expected to bring a whirlwind to the political parties involved, as they are now preparing for the presidential election late next year.

The CEMC's decision to stamp out illegal election campaigns once and for all by giving politicians a painful lesson was translated into action when it asked the prosecution to investigate a large number of lawmakers found to have violated the election law.

In the worst case scenario, lawmakers may lose their parliamentary seats, although they will first be given a chance to plead their case first before public prosecutors and then at court hearings.

But the fact that the CEMC implicated them in election law violation cases, mostly for using campaign funds beyond the lawful limit, was itself a big political blow to them, because they are now exposed to public criticism that they bought the election with money.

Moreover, those who lost the election to them are expected to take some action, political or otherwise, against these lawmakers implicated in the election law violation cases.

In the case of the ruling NKP, presidential aspirant Kim Yun-hwan and Vice National Assembly Speaker O Seung will face some political problems, as their campaign staff members are implicated in the cases. Reps. Yi Se-ki, Hwang Pyong-tae, Yang Chong-kyu and Pak Se-chik will also have their political life stained for their involvement.

On the opposition front, Reps. Kim Kyong-chae, Chon Chong-pae and Yi Ki-men of the main opposition National Congress for New Politics (NCNP), Reps. Pak Ku-il and Pak Chong-kun of the minor opposition United Liberal Democrats (ULD), Rep. Che Chong-ku of the splinter Democratic Party and Independent Rep. Kim Hwa-nam will see their political ethics damaged.

Of the 20 lawmakers implicated in the election law violation cases, a majority of 13 belongs to the ruling NKP, meaning that it suffers most from the CEMC's action. In fact, the NKP leadership was dumbfounded at the involvement of its 13 lawmakers in the cases.

President Kim Yong-sam has said he would change the political climate where "everything is okay once you win an election by any means" during his tenure.

The ruling NKP is set to cope with the situation in a "humble and square manner" by watching the development of the prosecution's investigation. But the opposition parties are expected to take a more active political offensive.

The oppositionists will surely take advantage of the fact that more ruling party legislators have been implicated in the election violations.

The National Assembly's Special Committee for parliamentary inspection is likely to face the most difficult situation from the CEMC announcement because it is currently conducting its own activities on the election fraud until Sept. 9.

What concerns the special committee most is how it should deal with the CEMC's announcement for its own activities.

Observers predict the committee will experience significant difficulties as two committee members from the ruling party — chairman Rep. Mok Yo-sang and Song

Hun-sok — are implicated in the election violations. Others said the parliamentary survey will surely suffer setbacks when the opposition parties utilize the CEMC's examination for political purposes.

The CEMC's announcement will also affect next year's presidential election in one way or another as the judicial procedures will last until Oct. 11 next year, only two months before the election, the observers said.

But overwhelming opinion is that the result of the CEMC's survey will not greatly affect the presidential election and the nation's long-term political structure.

Such opinion is based on the assumption that, as a result of the prosecutors' investigation and in the course of court's ruling, there will not be very many lawmakers who will lose their parliamentary seats.

ROK: YONHAP Analyzes Judicial Procedures for Accused Lawmakers

SK308070796 Seoul YONHAP in English
0613 GMT 23 Aug 96

— Semiofficial news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 23 (YONHAP) — Now that 20 incumbent lawmakers turned out to have been directly or indirectly implicated in election law violations uncovered by the Central Election Management Commission, attention is drawn to the judicial procedures they are supposed to go through and the impact they may have on their political fate?

Under law, the prosecution must determine whether or not the alleged violators will be indicted or not by the Oct 11 legal deadline because the period of limitations for public action for election violations is six months after the parliamentary election day (April 11).

The prosecution will determine whether to indict, or suspend indictment or drop accusation after reviewing the complaints and on the basis of their own investigation.

Those who are indicted will first stand trial at district courts, which are supposed to conclude their trials within six months.

If the prosecutors or defendants appeal against the low-court rulings, high courts will review the cases and pronounce their decisions within three months after the district courts finished their trials.

If the defendants or prosecutors do not accept the high-court rulings, they are able to appeal to the Supreme Court. But the highest court just examines whether the laws have been properly applied in lower courts and does not decide whether a particular defendant is guilty or not.

Logically, trials could be in progress over a maximum 12 months until Aug. 11 next year, about two months before the presidential election.

There are three situations in which the election of a lawmaker can be nullified as a result of the court's judgment.

The first condition would be if he or she was sentenced to a prison term or fined more than one million won.

Another one is the case in which his or her campaign manager or financial accountants are sentenced to stayed prison terms or heavier penalties due to their expenditures in excess of 0.5 percent of the legal ceiling of the campaign funds.

A similar fate will await the defendant when their campaign managers, financial accountants, spouses or lineal ascendants and descendants are sentenced to stayed prison terms or stiffer penalties for offering money, food or goods to volunteer election campaigners.

If any election is nullified by the court's final decision, the constituencies involved must conduct new elections within 90 days.

Those who are convicted of law-breaking will be not be able to run for elective posts for five years if they are fined one million won or more, and 10 years if sentenced to a stayed prison term or heavier punishments.

Burma

Burma: Boycott of Companies Dealing With SLORC Urged

BK2608010396 (Internet) BurmaNet News in English
24 Aug 96

[Speech by Dr. Sein Win, prime minister of the National Coalition Government of the Union of Burma, delivered at the National Press Club in Canberra on 22 August]

[FBIS Transcribed Text] Mr. Monaghan, honoured guests, ladies and gentlemen,

Thank you for inviting me to speak. The situation in Burma today is very tense. I believe that the actions of Australia and the rest of the international community could help swing the balance away from repression in Burma towards dialogue between the National League for Democracy (NLD) led by Daw Aung San Suu Kyi and the military led by the State Law and Order Restoration Council (SLORC). Most of you are aware of recent events. I will not detail them. Instead, I would like to concentrate on what can be done to help change the situation. It is clear from the events of last May that SLORC cannot move ahead politically or economically without the NLD. It is equally clear that the military in Burma cannot be ignored by the Burmese democracy movement. So the question is, what can be done?

First, I would like to deal with the question of "Engagement or Isolation." It is generally assumed that Burmese democracy advocates like myself want to keep Burma isolated. This is not true. In 1988, when we rose up against the dictatorship, we demanded an end to the isolation imposed on us by the military for the last 26 years. We called for free elections and a free economy. The military has supposedly opened up Burma's economy. But what is not advertised is that most foreign investors have to do business with state-controlled enterprises, or the Union of Myanmar [Burma] Economic Holdings Limited (UMEH). The UMEH is 100% owned by the military. What we have in Burma then is a military-controlled economy although its foreign partners are private businesses. The free economy that we had advocated has been hijacked by SLORC to support its illegitimate military regime.

Again in 1990, general elections were held in Burma. The military won 2% of the seats while the National League for Democracy won 82%. Yet today, 6 years later, the military is still in power. So once again, the Burmese generals have subverted the will of the people. That is why we are advocating that businesses not invest in Burma today. The key objective of the Burmese democracy movement then, is to end military rule, not to isolate Burma.

Second, it must be understood that the key objective of the military in Burma is to remain in power. Foreign investments will be allowed and the generals will talk with foreign governments only as long as it enables them to stay in power. The Burmese generals know that they have no legitimacy. Therefore, their strategy is to try and get external legitimacy by selling off Burma's resources to people who have no scruples. The generals can then in turn use their external legitimacy to consolidate their position domestically.

The third point to understand is that the generals are not interested in a compromise. They have ruled Burma for over 3 decades and they see no reason why they should not continue. Under General Ne Win's Burmese Socialism, the generals were poor like everyone else. Now with a military-controlled free economy, the generals can and are getting rich. They have never enjoyed such wealth before and they like being rich. Therefore, SLORC will not compromise of its own accord. The generals will compromise only when their survival is at stake. But even then their objective will remain unchanged.

Therefore, if we are serious about change and democracy in Burma, we have to examine:

- What action will threaten SLORC's survival?
- What action will lead to an end to military rule, and
- What will convince them that the best way to remain in power is to negotiate?

We can see from the recent past that one of SLORC's most critical needs for survival is financial support. It will compromise when funds are cut off. Some examples include:

- SLORC's call for foreign investments in 1988.
- Daw Aung San Suu Kyi release in 1995, and
- SLORC's dilemma in May regarding the NLD Congress.

We have also seen from experience that foreign diplomatic and business contacts with SLORC have not promoted democratic change in Burma. When ASEAN recently admitted Burma as an observer, the immediate response from SLORC was that it was not going to talk to Daw Aung San Suu Kyi. International businesses have been operating in Burma since 1968. The first major Australian business contract with SLORC was in 1989 when BHP (Broken Hill Proprietary) agreed to explore for oil and gas (BHP has since withdrawn). Amnesty International and Human Rights Watch report that the human rights situation in Burma has worsened. There is more repression. The U.S. State Department, the UN and the International Labour Organization also report

that increased business activity is contributing to the increased use of forced labour. It has become so bad that the European Union has officially launched an investigation into the Burmese military's use of forced labour. It is clear that more Australian business contacts with SLORC will only strengthen the military, and will in no way lead to democratization in Burma. In fact, Daw Aung San Suu Kyi has said, "We have come to the conclusion that investments in Burma have not in any way helped the people in general, nor have they helped the cause of democracy.... There are few people who have benefitted from these investments. In fact, they have only made the elite even wealthier." Therefore, Australia should definitely not increase trade with Burma at this time.

Given SLORC's determination to cling on to power, the way forward will require a concerted effort by all of us. Inside Burma, Daw Aung San Suu Kyi will continue to push for more and more basic freedoms for the common people.

The United Nations will, through its Secretary General, also continue to talk with SLORC to persuade it to agree to a dialogue. Perhaps it is time that ASEAN and Burma's neighbours also take their "Constructive Engagement" policy more seriously and work to persuade SLORC that it is in its own best interest to enter into a dialogue.

The international community, especially the United States, Japan, and international financial institutions, must continue to withhold financial assistance until SLORC agrees to a dialogue with Daw Aung San Suu Kyi and implements substantive democratic reforms.

To increase the pressure on the military to agree to a dialogue, we should support Daw Aung San Suu Kyi's request for sanctions and boycotts. The US Senate has already passed a bill that will allow sanctions if SLORC cracks down further on the NLD and/or Daw Aung San Suu Kyi. The European Parliament has called for sanctions and Denmark is working to get a consensus within the European Union.

It is clear that public sentiment both inside and outside Burma support Daw Aung San Suu Kyi's call for sanctions. The momentum is growing. Shareholders in the US are using shareholder resolutions to question the management of several publicly-held firms about their support for a brutal military dictatorship. The US State of Massachusetts and a growing number of US cities have passed legislation banning business with corporations investing in Burma. Students in campuses across North America are also boycotting certain products and tourism to Burma. In Denmark, labour unions have launched a major consumer campaign to boycott com-

panies doing business in Burma. Here in Australia, I have been asked by the Federation of Trade Union of Burma, the Burmese Women's Union, the Australian Burma Council, and all Burmese Community Organizations, Australian Unions, NGOs [nongovernmental organizations] and Student Unions to launch a boycott against Australian companies investing and trading with the SLORC. Names of these companies can be obtained from the Australia Burma Council and its affiliates.

Given such strong public support, I see no reason why Australia should not enact legislation to ban Australian companies from doing business in Burma.

Burma: More on Sentencing of 19 NLD Members

BK2308161296 London BBC in Burmese
1345 GMT 23 Aug 96 to Burma

[From the "Current World Affairs" program]

[FBIS Translated Text] [Announcer Bala Zeya] Dear Listeners: Nineteen members of the National League for Democracy — the NLD led by Daw Aung San Suu Kyi — have been sentenced by the [Burmese Government] for violating a public security law. At least 30 NLD members have been sentenced to long jail terms since last week. Daw Yin Yin May will present the reports that have been confirmed.

[Announcer Yin Yin May] Dear Listeners: Nineteen members of the NLD have been sentenced to 10 years in jail. It has been learned that they were sentenced to seven years in jail for violating a public security law, an existing law of the state, and to additional three years for distributing and viewing recorded audio and video tapes of Aung San Suu Kyi's public Saturday and Sunday fora. On Thursday [22 August], the domestic newspapers said action has been taken against the above-mentioned 19 NLD members for distributing anti-government leaflets and secretly making contacts with external forces to destabilize the country. Khun Myint Tun, an elected NLD representative from Constituency-2 in Thaton Township, Mon State, and U Do Htaung, an elected NLD representative from Kale Constituency in Sagaing Division, were among the 19 NLD members. It has been learned that they were charged under Section No. 122/2 of the Code of Criminal Procedure.

So far the Burmese Government has sentenced at least 30 NLD members to long jail terms. The Burmese Embassy in Bangkok also issued a written announcement stating that 11 NLD members who were arrested in May were sentenced to 10 years in jail on 15 August.

It has been learned from NLD Headquarters in Rangoon that U Khin Maung Thaing, an NLD member from

Mandalay, and doctors and engineers from Sagaing and Mandalay Divisions, were among the 19 NLD members who were sentenced to long jail terms. The Burmese Government has taken action not only against these NLD members but also NLD supporters. It has been learned that Daw Aung San Suu Kyi will continue to meet and talk to the population during her public forum on Saturdays and Sundays.

[Announcer Bala Zeya] That was a compiled report on the sentencing of NLD members. The report was presented by Daw Yin Yin May.

**Burma: Report Shows SLORC 'Clearly Scared';
Not in Control of Economy**

BK2508160796 (Internet) BurmaNet News in English
24 Aug 96

[The BurmaNet Report dated 24 August]

[FBIS Transcribed Text] Since the SLORC [State Law and Order Restoration Council] party returned from Malaysia last week, a new crackdown on NLD [National League for Democracy] members and other pro-democracy supporters has begun. The SLORC is clearly scared. They are not in control of the economy. The prices of goods are sky-rocketing because of inflation, a huge part of this year's rice crop was destroyed by insects, and there are no stocks of rice left from last year. A crisis is looming and people are angry.

The SLORC is intending to resume the National Convention this fall and hoping to push through its own constitution, but they are well aware of the fact that the majority of the people do not support it. Many ethnic leaders who had previously participated in the National Convention are also seriously considering pulling out because they feel they cannot work with the SLORC.

The pro-democracy supporters in Burma have become more and more active since Aung San Suu Kyi's release. Although they have engaged in few public activities except for attending talks in front of Aung San Suu Kyi's house, they have been revitalizing old networks and forming new groups. Recently people have even begun discussing politics in public places like buses and tea shops. The endless SLORC press diatribes against Aung San Suu Kyi have also outraged Burmese people who weren't necessarily that sympathetic with her a year ago. The people have become increasingly politicized, and the SLORC may well be concerned that they will not be able to control the situation.

Realizing that the international community could react very strongly if they rearrested Aung San Suu Kyi, they have adopted a different strategy. They are trying to break her power base by arresting all the key people in

the party and by intimidating people into not attending the weekend talks at her house. The SLORC is banking on the hope that the international community is not sufficiently familiar with other key leaders or interested in the fate of ordinary Burmese people to react to this latest wave of repression.

After the May arrests, when approximately 262 NLD members were taken into custody, most were gradually released. In late June, 26 of the original 262 remained in prison. Now the number of political prisoners has gone up to at least 60, including 9 people who were arrested only for being regular attenders of the weekend talks in front of Aung San Suu Kyi's house. These nine were not arrested at the talks but back at their homes late at night. At least nine are now in Insein prison, and one has already been sentenced to seven years in prison. These nine were not NLD party members or party of the NLD youth wing. They were merely regular attenders of the talks.

One day in early June, a single monk, U Khetsara, stood on a main thoroughfare (in front of Sule Pagoda) with a sign calling for dialogue. He was arrested and sentenced last week to seven years in prison. Although some suggested that he apologize and plead for leniency, he refused to do so, saying that he had done nothing wrong. The SLORC has forced him to disrobe, but he is still following the 5 precepts and preaching Buddhism in the prison.

Five students who met with senior NLD members earlier this month were also arrested. Ye Htun, Taung Ni, Lwin Aung, and Myo Than were taken away on August 9, 1996 and Nyei Hline was taken on August 12th. Their whereabouts are unknown.

Win Htein, Daw Aung San Suu Kyi's assistant, has already been sentenced to seven years but is also facing additional charges which may result in his spending the rest of his life in prison.

All the NLD members who are in jail are in extremely poor health. Because of the lack of adequate food, sleeping on the concrete floors without any mats or blankets, and not being allowed sufficient exercise, many are suffering from a spinal weakening disease.

Daw Aung San Suu Kyi has reacted with anger to the arrests and inhumane treatment of prisoners. In her speech last Sunday, August 18, she and U Tin On expressed their outrage at the SLORC, particularly for taking the weekend talk attendees. Again on Saturday, August 24 she spoke strongly about the SLORC's attempt to crush the democracy movement through a campaign of arrests and intimidation.

The SLORC has also painted red and white stripes along the curbsides on both sides of University Avenue, where Aung San Suu Kyi lives, and along all the lanes leading off the avenue. The red and white stripes signal no parking zones, and the SLORC is trying to make it more difficult for Rangoon residents to attend the talks. If they want to come, they must park far away and walk.

Aung San Suu Kyi's phone is often not working or cut mid-conversation, because of mysterious mechanical problems. While the SLORC has not cut the phone line completely, they have made it very difficult for her to communicate with others.

In the delta region, the SLORC has been rounding up villagers to denounce Aung San Suu Kyi and blame her for rising gas prices. The SLORC is telling the people that because Aung San Suu Kyi has encouraged sanctions, the price of gas has gone up. In fact, the reason for rising gas prices is because the government is running extremely high deficits and printing more and more money to stay afloat.

With tension soaring in Burma, this is a time to act. It is critical that the international community respond with strong measures against the SLORC and vocal support for Aung San Suu Kyi and the pro-democracy movement.

Burma: Authorities Urged to Arrest Suu Kyi, Party
BK2608013796 Rangoon MYANMAR ALIN
in Burmese 23 Aug 96 p 4

[Article by Pauk Sa: "My Dear, Will It All End by Just Doing Nothing? — Part 2]

[FBIS Translated Excerpt] I am unable to define whether the lucky star in my horoscope is waxing or waning. The other day a rural cousin from upcountry visited me and asked me whether the rule of law in our country differs from place to place and person to person. Although he troubled me with the issue he resolved our basic kitchen needs for about three months by providing us with oil, beans, chilies, and onions. Now too, a cousin sister, who married a man from the delta region and who hadn't seen my family for a long time arrived for a visit and, knowing that we are her poor relatives, brought along some rice, fish paste, and dried fish to stock our kitchen.

I don't know what happened to my lucky star, but early next morning my cousin blurted out loudly: "Hey, all of you come here! General Aung San's daughter [Aung San Suu Kyi] is working to starve us and to make us poor. She is destroying us. Dear leader and benefactor, please come and witness what your daughter has been doing." Her voice woke me up and I rushed out towards the front. She was crying and pointed out an article in

the KYEMON daily and said: "Pauk Sa, read this. We believed and loved Aung San Suu Kyi and affectionately called her Ma Su because we thought as Gen. Aung San's daughter she would do something good for the country but she didn't live up to our expectations. Well, we all forgave her for marrying an Indian [derogatory reference to an Englishman] because she was Gen. Aung San's daughter and thought she would reform but now she has ashamed us." I felt very sorry for my cousin sister who was very hurt and angry. I think my simple cousin sister from a farming village is now feeling sorry for having affection for Gen. Aung San's daughter. My cousin, who is almost 60 years old and very outspoken from a young age, will speak up wherever and whenever she thinks she is right. If she is wrong she will also apologize. But now, I feel that she is ashamed for her wrong choice and angry for being deceived. [passage omitted]

As I was thinking hard on how to explain everything to her she interrupted; "Well, Pauk Sa, you look sleepy and don't seem to take any interest in what I'm saying. Read here, at the Martyr's Day ceremony at her house, Meimingyima [Her Ladyship — sarcastic reference to Aung San Suu Kyi] told in English to the Leik-Kan [British and American] ambassadors to impose economic sanctions so that her party can gain power and establish democracy in Myanmar [Burma]. Her words do not help to develop Myanmar, which is lagging in development for various reasons. They are designed to pull Myanmar [Burma] back to the past, to cause more suffering for the people, and to keep the people from extricating themselves from the cycle of poverty. It was a gift for the people from the martyr's daughter on the day her father died. I would like to ask Meimingyima seriously. In her speeches that we have heard she said very charmingly that she loved and respected her father, that her father was her leader and teacher, and that she will work for the betterment of Myanmar and its people whom her father loved. She said the current military government could not develop the country and would not receive international aid but once she and her party gain power international aid will flow in and she will develop the country with that. What she says and what she does are just the opposite. In fact Meimingyima is trying to stop all international aid. The thief is acting saintly. I would like to tell the Englishman's wife that her talking is like Shwe Mann [late renowned Burmese theatrical artiste], her singing is like Sein Aung Min [Burmese theatrical artiste and present theatrical association chairman], but she is doing the monkey dance." I was able to breathe fully only after my cousin sister's nonstop utterance.

Actually, the traditional Myanmar [Burmese] view of some simple elderly people like my cousin sister is that Gen. Aung San's daughter will love the country and the people the way her father did. It is also true that they believed she will work for the betterment of the country and the people. The fact is that some people, including my cousin sister, know only that she is a daughter of Gen. Aung San. It is also true that they do not know Gen. Aung San's daughter, who owes allegiance to the imperialists, is conspiring to enslave the country. Nobody has ever explained about this matter in depth to [the people]. The state leaders have controlled themselves and tolerated her because she is the daughter of a martyr. When the respective authorities controlled themselves and tolerated her, some people did not understand Daw Aung San Suu Kyi's plans and actions that are designed to serve the imperialists. She, for the the imperialists' interests, conspired and executed ruthless acts, without any consideration and reasoning, to turn the country into a pile of ash and to wipe out the race. I had a bitter and painful experience about this.

Like my cousin sister, some people with simple minds and views admire and honor Daw Aung San Suu Kyi for being the daughter of a general and the father of independence, a winner of Nobel Peace Prize, and a foreign educated; and want her to enjoy the wealth and position that her father never enjoyed. I understand that these people have fallen right into the political chess game which has been planned and implemented by the imperialists. [passage omitted]

I am certain that the people will evict Daw Aung San Suu Kyi [from the country] the way the evil spirits are expelled from the forests by beating the tin boxes if they are presented with clear and accurate proof and explained in detail about the facts that differentiate Gen. Aung San from Daw Aung San Suu Kyi although she is the daughter of the general, about the plans and objectives of the imperialists and their associates to confer the Nobel Peace Prize to her, the political heritage of Gen. Aung San—that does not owe allegiance to the imperialists, not to criticize, insult, and divide the Defense Services; not to destroy the country, and not to marry a foreigner so as to preserve the lineage and patriotic prestige—that Daw Aung San Suu Kyi has no qualification whatsoever that is worthy of Gen. Aung San's political heritage, that she has linked her lineage with the lineage of the imperialists, and has inherited and is preserving the status of imperialist spy.

Expecting that one day she will reform herself and understand the goodwill of the state, the authorities only confined her in her own residence after registering the crimes for which a violator can receive at least a 20-

year jail term. We were amazed the way the authorities discharged their duties. [The government] also allowed Daw Aung San Suu Kyi's husband, a foreigner, to freely meet and stay with her. Nobody knows what kind of advice was given to Daw Aung San Suu Kyi by her husband, a foreigner, while they were together in bed; and what was given to him by her when he left the country.

Although the state had made so many concessions on its part the husband of Daw Aung San Suu Kyi did not recognize and value these favors like a gentleman, but with his street urchin behavior he made accusations against the state several times. The so-called international diplomats and human rights representatives, both male and female, were allowed to meet freely with Daw Aung San Suu Kyi. These males and females talked like vagabonds and engaged in talks that lack prestige and class and made accusations against the state. Their actions totally contradicted the way we respected and honored them. At the news conference in Myanmar, they said everything was fine, and that they were satisfied with many things and thanked the state government, but when they arrived at Bangkok Airport they commented about the lack of human rights and expressed concern about democracy in Myanmar. I think their actions are not worthy of their status as international representatives, diplomats, and members of parliament. They are like loafers who do not value their own words and say different things in different places. I regard them as international loafers.

I dare say that the state's patience, tolerance, and goodwill toward Daw Aung San Suu Kyi will not make her see and understand anything and they will not change her. These efforts are like casting pearls before swine. I dare say this because one day after her release, Daw Aung San Suu Kyi chose to walk the path of utter devastation. With the intention of destroying the National Convention, she ordered the representatives of her party to boycott and walk out of the National Convention. Continuously, on the sixth anniversary of the election victory [in May], she, of her own volition, called the People's Assembly and blatantly plotted to write a constitution, to form a government, to stage demonstrations, to seek recognition of her government from the imperialist group, and to form a government parallel to the SLORC [State Law and Order Restoration Council] government. I understand that the state dare not take action against her for plotting such a scheme and I also believe that she is allowed to do whatever she likes. Until today, you can see that she is insulting and defying the state. Isn't it? The meetings on Saturdays and Sundays in her compound are not the political party's prestigious discussions on

its political philosophies and functions. These meetings are designed to harshly criticize and insult and challenge the state government and the Defense Services. Don't you think action must be taken according to the law against Daw Aung San Suu Kyi, her party, and people who are attending the meetings. [passage omitted]

Then my cousin sister said: "Pauk Sa, if you didn't hear my loud voice then something is wrong with your hearing. I was saying that whether the government is going to take action against Meiminmagyi who is causing a lot of trouble for our country and the people or just leave her like that. There is no need to have regards for her father. The government does not have to be lenient to a woman who is going to destroy the nation. [passage omitted] The government must not let Meiminmagyi and her people—who destroyed the prestige of the parents and lineage, who deceived the simple people like us, and who is trying to impoverish the country—[go unpunished]. Pauk Sa, you also have connections with the government offices and police stations. Tell them about this matter. Pauk Sa, we can't just let things go like this." [passage omitted]

Burma: Article Recommends Action Against Aung San Suu Kyi

BK2308161796 Rangoon MYANMAR ALIN
in Burmese 22 Aug 96 p 6

[Article by Pauk Sa:] "[My Dear, Will It All End by Just Doing Nothing? — Part 1]

[FBIS Translated Excerpt] Five days ago my cousin from a village in countryside, who had never visited me, paid a surprise visit. I had had no communication at all with my relatives in the country for nearly 10 years, so I thought my cousin's visit was about certain family matters. I asked him to sit down and then waited to hear what he had to say. My cousin handed me his baggage and then he unwrapped a towel on his head and wiped the perspiration from his face with it. He then stared at me and sighed heavily. I thought, as I watched my cousin, that some of our relatives might have died, and I was worried.

After half an hour, my cousin asked: "Do the prevalence of law and order, and community peace and tranquility, function differently from place to place and person to person in our country?" I was puzzled by his question. [passage omitted]

Not just me but anyone would be puzzled if asked whether the prevalence of law and order, and community peace and tranquility, function differently from place to place and person to person, because they are clearly stated as important tasks in Section No.1, Sub-

section A of the State Law and Order Restoration Council's (SLORC) Declaration No.1/88 — the first declaration issued by the Defense Services after taking over the government on 18 September 1988. [passage on priority given by SLORC to restoration of law and order omitted]

My cousin apparently realized I was puzzled by his question and said: "Is it difficult for you to answer my question? I know that the SLORC has worked, and is working, toward ensuring that law and order and local peace and tranquility prevail on a national scale. However, do you know, are you aware, that there are areas where the SLORC's work on prevalence of law and order does not take effect, its responsibility not properly discharged, and its power not effective on a person [referring to Aung San Suu Kyi]? Are you aware of that?" [passage omitted]

I was not very pleased with the way this rural cousin of mine was trying to outsmart me. However, as a good host, I kept quiet. [passage omitted on reference to an article by Byatti, "Taking Refuge Under a Skirt To Escape Prosecution," on National League for Democracy representative Dr. Myo Nyunt's fleeing to Aung San Suu Kyi's compound after being found guilty of producing medicines illegally]

My cousin said: "I kept rereading the article. Every time I read, I wondered whether the existing laws in the country and Section A of Declaration No. 1/88 of the SLORC relating to the task of ensuring the prevalence of law and order have any effect or relevance on the compound of that Daw Aung San Suu Kyi. Under the state law, is it impossible to take action against the lawbreakers who entered the compound of Daw Aung San Suu Kyi, wife of a White Indian [English]? Don't you think her compound has been regarded as if it were? a separate nation or a liberated area? I have a lot of questions and thoughts as to whether the effectiveness of the state law becomes irrelevant if the armed terrorists — who are traitors and are destroying the country and committing crimes such as looting, arson, planting mines, and killing — and the fugitives — who committed robbery, rape, kidnapping, and murder — take refuge under the htamein [sarong] of a White Indian's wife. [passage omitted] Explain to me as much as you can.

I understand that action has to be taken against the fugitives who violated state law and those who provide refuge and assistance to the fugitives, but so far no action has been taken under the existing laws against the accused and the fugitives who are taking refuge in the compound of Aung San Suu Kyi, White Indian's wife; nor against Aung San Suu Kyi, a White Indian's

wife, for infringing the law by accepting, supporting, and giving refuge to the accused and fugitives. No punishment has been meted out to them. It seems there is a lack of effectiveness in the law. Don't you think her compound has been regarded as if it were a separate nation or a liberated area? Don't you think the effectiveness of the law in a country has to be uniform? In my view, I think the SLORC government is too soft, too patient, and too tolerant in exercising the law. The SLORC is a military government in name only. In reality, the SLORC organizes and educates people, and it is much more tolerant than elected-political-party governments.

Just look at the case of that Aung San Suu Kyi. If she were charged for every violation she has committed, she would be sentenced to at least 20 years in jail, but the SLORC used the restriction order and confined her in her own residence. Once the restriction order was lifted and she was freed, she began her organization and instigational activities to create disturbances and to destabilize the country. I even listened to the recorded tapes of her Saturday-Sunday fora, which are being held without permission, when they reached our village. I was amazed at the acquired virtue of the SLORC for ignoring her comments even though she made things up and criticized, attacked, and insulted the SLORC and Defense Services.

By the way, the important thing that I want to stress is: I wonder if the SLORC knows that there is a possibility that the patience and tolerance toward Aung San Suu Kyi, who is breaking the law in various ways daily, can become a great danger for the country and the people. If the SLORC knows and understands this, why is the SLORC not taking action against Aung San Suu Kyi? As a rural man, I just want to sing a 20-year-old song: "My dear, will it all end by just doing nothing?" [passage omitted]

Brunei, Malaysia & Singapore

Malaysia

Malaysia: Article Previews Asian Countries' Stand at WTO Meeting

BK2608074696 Kuala Lumpur THE STAR in English
26 Aug 96

[Article by Lim Hock Chye — received via Internet]

[FBIS Transcribed Text] Four months ahead of the forthcoming World Trade Organisation (WTO) ministerial conference, Datuk Sri Dr Mahathir Mohamed gives notice that Asian countries will speak up for their rights.

The prime minister fired the first salvo about a fortnight ago, urging Asian countries to stand united on trade

issues as there might be attempts to throw a spanner in the works to blunt the prosperity of Asian countries.

Some of the world's major powers have indicated their desire to bring up issues which are non-trade related, and which may adversely affect the interest of most up-and-coming Asian economies whose growth have been achieved through sheer toil.

Often times, several European Union (EU) members have wanted to link multilateral trade talks with labour and environment issues despite objections from ASEAN and certain fellow EU members.

Within the EU fraternity, opinions are divided on the issue as Germany and Britain are reportedly not keen on intertwining trade and non-trade issues at the meeting to which Singapore plays host.

The episode concerning attempts to link trade with non-trade issues unfolded when EU vice-president Manuel Marin Gonzales told Malaysia recently that the EU would raise the issue at the conference.

The EU is expected to discuss a position paper next month in Brussels to determine whether to link trade and non-trade issues.

The attempted link was first floated by the Group of Seven (G-7) at the Marrakesh meeting in Morocco which marks the end of the Uruguay Round negotiations.

Objectively, the first WTO ministerial conference should focus on implementing the results of the Marrakesh declaration.

On April 15, 1994, 125 countries, including Malaysia, signed the final act which embodies the results of the Uruguay Round of trade negotiations.

The voluminous final act stipulates that the first of the five functions of the WTO is to "facilitate the implementation, administration and operation, and further the objectives of the agreement of the final act and that of multilateral trade agreements."

The WTO also provides the forum for negotiations among its members concerning their multilateral trade relations.

Hitherto, this December meeting will be more productive and speak volumes for the effectiveness and credibility of the WTO — if it sticks to its guns and creates a level playing field for all its members in promoting trade.

Developing countries must be resolute in speaking up for themselves, unless they want to be sidelined again at

international meetings which may lead to a down sizing of their destiny in the competitive trading world.

Least of all, it should not be a repeat of the General Agreement on Tariffs and Trade (GATT) meetings where some developing countries were made mere spectators as the dialogue was mainly between North America and Europe.

Some of the decisions were detrimental to the developing countries and this time round, it is up to the Asians who will be present in very large numbers to make their presence felt.

But one must remember to keep to the spirit of the WTO, that is to focus on trade matters. It is imperative to uphold the principle of non-discrimination and freedom of trade.

More importantly, developed countries should not use trade to gain political mileage for trade is not a zero sum game.

Every member has its rights and obligations. Should there be any dispute, member countries have to avoid unilateral action and not act arbitrarily.

Malaysia has said it will initiate co-operation with other ASEAN nations to present a common stand at the conference, that it is counter-productive to link trade with non-trade issues.

Malaysia will not accept any rules and regulations which have nothing to do with trade.

International Trade and Industry Minister Datuk Sri Rafidah Aziz has said that ASEAN is committed to trade liberalisation and strongly supports efforts to strengthen the multilateral trading system based on clear and equitable rules.

An open trade system is the key factor in the development of ASEAN and it is in ASEAN's interest to ensure the global trading environment continues to provide a supportive and conducive framework to enable ASEAN to sustain and enhance its liberalisation efforts.

Everyone is in favour of liberalisation but it centres on the question of when and how.

Every country desires globalisation on the whole but not all of them, especially the developing countries, are in a position to grapple with the prospect.

If the WTO recognises the constraints and challenges that these countries face and facilitate them, then this world trade body is on track in ensuring the effective participation of least developed countries in the world trading system and improve their trading opportunities.

The WTO has to recognise the specific needs of the least developed countries in the area of market access where continued preferential access remains an essential means for improving their trading opportunities.

As Rafidah says, ASEAN views with concern any action which can undermine the credibility and effectiveness of multilateralism.

Malaysia: Argentine President Ends Visit, Leaves for Indonesia

BK2608064796 Kuala Lumpur RTM Television Network 3 in Malay 0530 GMT 26 Aug 96

[FBIS Translated Excerpt] Argentine President Dr. Carlos Menem and his delegation ended their five-day official visit to Malaysia today. [passage omitted covered by referent item]

Menem and the delegation left aboard a special plane to Jakarta, Indonesia as part of their official visits to Asian countries.

Cambodia

Cambodia: Hun Sen on Murder Attempt, Khmer Rouge

BK2408114396 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 23 Aug 96

[Speech by Second Prime Minister Hun Sen at the inauguration of a development center in Phteah Prey commune of Pursat Province's Sampeou Meas District on 23 August — recorded]

[FBIS Translated Excerpt] Let me say this to you. I and those generous people who have provided aid — the foreign ambassadors, they are the ones giving aid — want to see our economy become efficient. If we do not improve our economy, they will not help us. They are checking the progress and the efficient use of their aid.

The United States, whose ambassador is here, Kenneth Quinn, has granted most-favored-nation status to Cambodia. This is very important. The only thing left is for President Bill Clinton to sign the bill. The status will allow Cambodia to export goods to the United States without paying taxes. This is not for exporting goods from other countries to the United States and claiming that they are Cambodian goods. This is not the way. Doing things this way will lead to the United States to revoke this status straight away. This is a Cambodian act of cheating the United States. Therefore, the Trade Ministry has to carefully check on this. At times, only 30 million of shirts have been produced in Cambodia;

but when they were exported, the number was 50 million. Recently, the European Union asked this question: Your country produced only 10 million shirts, yet 20 million were exported to our countries. Where did the additional 10 million come from?

This is corruption, an act deceiving those countries. These countries gave us the status to produce goods in our country, to provide jobs to our people, to attract investments to our country, to get jobs for our citizens, and to export these goods to those countries. However, we did not do it this way. We exported to the U.S. or Europe goods produced in other countries with the labels Made-in-Cambodia. This is wrong. So, this is just my recommendation. When people help you, they want to see efficiency.

Grandmothers, grandfathers, the clergy, and compatriots, you probably know what I want when I help build schools, dikes, roads, and vocational centers. If people do not really think about it and do not understand, they might answer: You do this for votes. No. If this is the answer, I will walk away from here to other places because I am not doing this to get votes. What I have done and what I want to achieve is simply to reduce the people's poverty, increase the people's income, and raise the knowledge of Cambodian youths and children. This has nothing to do with the election.

I do not know whether I will be standing for the 1998 elections or not. And it is not certain that I will still be living in 1998. It is not certain. You may have learned from newspaper reports over the past few days that a meeting was held in Canada. Someone will be sent here to kill me for \$1 million. The message forwarded to Phnom Penh was sent from Long Beach, United States. The United States. You investigate this yourself. I am not going to do this. Interpol's help is needed. This message was a well-intentioned one. The Republican Committee in Long Beach has good intentions toward me. It informed its members in Phnom Penh that in case I died, to go seek political asylum at the U.S. Embassy, and to quickly escape to Bangkok and to get assistance from other members. They feared that I might die because I am a force helping them to oppose the Khmer Rouge and pro-Khmer Rouge elements. They wanted to disclose this information. So, let's wait for the United States and Interpol. I have nothing to do with this. I do not know whether I will still be alive in 1998 or not. It's \$1 million. However, it seems that \$1 million is too cheap. Hun Sen's head probably costs more than this. One million dollars is too cheap for Hun Sen's head. What people in Pursat took from Hun Sen is already over \$1 million. So, this is too cheap. Can this be increased to \$10 million to equal the cost of 500 schools? One million is equivalent to the cost of 50

school buildings. Increase it to \$10 million. However, I have nothing to do with this. Let them investigate. This is a matter for the United States and other countries because this source is from Canada and Long Beach in the United States.

If His Excellency [H.E.] Kenneth Quinn wants to have a original copy of the message, I can give the copy I received to him. After the matter was disclosed and an investigation conducted, the original copy was acquired. There are fingerprints on the copy. This can be investigated in Long Beach, and carried on in Canada. I do not know about all this. I do not know who is coming to carry this out. But it's too cheap, \$1 million for Hun Sen's head. Make it more expensive.

I would like to make this declaration. Let me say a little about this. If it's only costs \$1 million to take my life, I will give \$2 million to the person who gets me sufficient evidence for the court to try those who plotted this. The money is doubled. If the fee is \$1 million, I am giving \$2 million if sufficient evidence can be gathered to put the ringleaders on trial.

H.E. Kenneth Quinn, H.E. Bill Clinton recently signed a law against terrorism, isn't that so? So, over to you to investigate this matter. I will forward the original copy of the message to you. Terrorism is an international crime.

If you want to beat Hun Sen, just build more schools and more dikes than Hun Sen.

[passage omitted] I would like to take this opportunity to inform all of you about the current situation based on the profound and irreconcilable rift within the outlawed Khmer Rouge. The Khmer Rouge is gradually coming to an end. A major breakaway movement, from the border, National Route 5, Malai to Koh Kong, particularly the major forces in Malai and Pailin, is an example of the uncompromising enmity between the movement desiring peace and national reconciliation for national development and the intransigent movement desiring to continue shedding the people's blood.

Therefore, the Khmer Rouge is gradually moving toward its end. So, this is a good opportunity to unite for progress. You asked me why this has taken so long. The problems in Pailin and Malai are not as simple as in Aoral or with other units in Tonle Sap. The Pailin and Malai areas are complicated. This is because some forces are controlled by Son Sen and Ta Mok while others need time to persuade soldiers to break away from Ta Mok and Son Sen without fighting.

Take the declaration of Divisions 450 and 415 which mentioned the refusal by units under the control of Ta Mok, Son Sen, and Pol Pot to fight the breakaway

troops. We have to give these troops the opportunity to do this. In terms of military strategy, when the Khmer Rouge are in such a rift, Pol Pot has come down to Samlot. Samlot is in Pursat, where the borders of Koh Kong and Pursat meet. At another point, the borders of Battambang and Pursat also meet. In terms of military strategy, when the Khmer Rouge began moving troops from the end of Route 56 in Pursat, it was necessary for us to dispatch our Division 8, which is already stationed in Pursat, and to urgently move up Divisions 1 in Aoral, Division 5 in Koh Kong, and other divisions along Route 10 and near Phnum Malai. These units had to be moved immediately.

However, doing this way would have resulted in confusion without forces being clearly identified. This is why the prince krompreah [Ranariddh] and I have agreed on a political and strategic military framework. We ordered those compatriots on the frontline to keep in contact with one another without fighting and to prepare to seize the opportunity. When the internal requirements for supplies, ammunition, or troops are met, we are to move in immediately. Apart from keeping in contact, we leave access channels ready so that we can move in to assist those compatriots. At this level, we do not use forces to fight the way allied forces attacked the German troops [in World War II]. [passage omitted]

However, we have not given orders to attack to Division 8, Division 1 in Aoral and Division 5 in Koh Kong, Divisions 4 and 6 along Route 10, 2d Military Region along Route 10, and Divisions 12 and 3 in Malai. If we did so, this would confuse the breakaway movement, our troops, and the Khmer Rouge hardline troops. This is why we are proceeding step by step.

I would like to stress that yesterday, the prince krompreah and I jointly signed a letter that was to be sent to breakaway units. This letter was also for Ieng Sary who led this breakaway group. Documents were dispatched yesterday and it is hoped that the documents reached him yesterday or today. They were signed yesterday and sent and gave the Royal Government's guarantee to the breakaway group. There is one political and legislative point that requires careful discussion, in addition to the political framework that is to be implemented along with the legal aspects.

This is the point on which I think there are increasingly more good opportunities for Pursat in development. [passage omitted]

It should be stressed that we have no policy and we reject all requests for negotiations by the political and military organizations of the outlawed Khmer Rouge. We reject such negotiations. However, we welcome anyone who breaks away and opposes Pol Pot.

Yesterday or the day before, a certain politician declared cease-fire throughout the country and appealed for a cease-fire nationwide.

Oh God! This is beyond the limit allowed by the Constitution. You want to take the whole lot for yourself. No, you cannot do this. When I welcomed the troops in Pailin and Malai, and the appeal to ensure Ieng Sary's security, these people wrote in their commentaries that I am recalling the ringleaders of Pol Pot. However, they themselves declared a cease-fire with the political and military organizations of Pol Pot. What do you mean by this, gentlemen? Please elaborate.

This government is legitimate and has enough power to run the whole country. Other political and military organizations are illegal. We appeal to those in these political and military organizations to break away and return to the fold but we do not welcome these political and military organizations into the government. Please be clear about this. Those who have broken away will be accepted only into the civilian administration and the armed forces, but not into the Government as the Constitution does not allow this. The Constitution only allows parties that have representatives in the Assembly to have their people in the government. Even other political parties have no right to be in the government. This is the constitutional framework. When an appeal is made for a nationwide cease-fire between the Khmer Rouge and ourselves, this means that a legitimate government is put at the same level as the outlawed organizations of the Khmer Rouge.

Sorry. This good political leader — I will not identify this person — please think a bit more. This is illegal. It is against the Constitution. If you appeal to the Khmer Rouge to lay down weapons and to stop fighting, that is correct. However, it is illegal to appeal to the government to cease its duty to protect the people through a cease-fire while Khmer Rouge troops kill the people. This is against the duty of a legitimate government.

So, both the prince krompreah and I cannot accept this. Some have commented that the two prime ministers do not have the same voice. I would like to stress that this is not so. It is impossible to say the things in the same way 100 percent. Even I and my wife cannot speak the same way. However, what is important is that there is an official document to confirm it, which I would like to read here so that it is understood and not misinterpreted. I will read the whole document.

Confirmation

The Royal Government of Cambodia [ROC] would like to clearly and unambiguously confirm the following to

the leaders and armed forces who are actively opposing the hardliners led by Pol Pot, Ta Mok, and Sok Sen in Malai, Pailin, Malai (as heard), and other areas:

1. The Royal Government supports the leaders, armed forces, and the people who are carrying out the above activities and reaffirm the guarantees that have been given.
2. On top of this, the Royal Government would like to stress that the Royal Government clearly and unambiguously guarantees security for you, including Ieng Sary.
3. In the spirit of ensuring safety and security, as in point 2 above, the Royal Government is carefully examining a proposal to the king to reduce the penalty and to grant a pardon in accordance with Article 27 of the Constitution.

22 August 1996
First Prime Minister Norodom Ranariddh
Second Prime Minister Hun Sen

This is the confirmation, in point 3, because it is related to the legal aspect. However, compatriots who are not politicians and who are soldiers with the ranks of general, field commander, commissioned officers, and other soldiers, along with administrators in those areas, do not require any article concerning amnesty. On this point we are waiting for the signal to forward the proposal to the king because he has this right as is stated in the Constitution. In doing this, the two prime ministers have carefully considered the situation.

I therefore would like to stress that Hun Sen and Ranariddh do not have different views as claimed. However, at times, it is not possible to express things in exactly the same way. [passage omitted]

Whatever it is, we cannot get out of the constitutional framework. Talks with Pol Pot, Ta Mok, Khieu Samphan, or Son Sen are all illegal. As long as these persons have not yet broken away and have not opposed the political and military organizations of Pol Pot, these talks are illegal. However, we can meet with those who have broken away from Pol Pot at any time and any hour. Successive meetings have been held between General Nhoek Bunchhai, General Pol Saroeun, and other generals with the breakaway leaders. [passage omitted]

Cambodia: 'Defections' Will Neutralize KR Resistance

BK2608091296 Phnom Penh PHNOM PENH POST
in English 23 Aug-5 Sep 96 p 3

[Article by Huw Watkin: "KR Forces May Be Slashed in Half"]

[FBIS Transcribed Text] Negotiations between the Royal Government and the breakaway Khmer Rouge [KR] faction in the northwest may result in a reduction of the KR's fighting strength by as much as half.

At the POST's press time negotiations were continuing, but a senior RCAF [Royal Cambodian Armed Forces] source said he expected all KR units based in Cambodia's northwest to switch allegiance to the Royal Government by the end of September.

Of the 22 divisions which make up the National Army of Democratic Kampuchea (NADK), eight, including two of its strongest, have been directly involved in talks with the government, while another two based in Pursat and Koh Kong provinces are expected to enter negotiations within a few months.

Western military observers say the "defections", if they can be sustained, will effectively neutralize Khmer Rouge resistance in the northwest of Cambodia, isolating the remaining KR forces within a thin strip of territory along the Thai border between Anlong Veng in Siem Reap and Preah Vihear province.

In all, as many as 4,000 KR troops may have split from the Maoist group which has waged war against successive Phnom Penh governments since 1979.

"These developments could have an enormous impact on the KR's fighting machine, weakening them militarily and economically," said one Western military source who requested anonymity.

"However, nothing firm has developed yet and many questions remain unanswered. This is not a defection in the usual sense of the word, so just what is the deal? Will they keep their weapons, will the government be granted access to these areas? No one knows yet and much of what has been said could easily be misinformation.

"It's far too early to draw any concrete conclusions."

Nonetheless, it seems improbable that the Khmer Rouge, even if negotiations fail, can remain a cohesive fighting force for much longer. Analysts say its ammunition stocks are low and it was forced to conserve heavy artillery shells during the last dry season offensive.

Those analysts also point to the use of "punji" stakes and home made mines to replace dwindling stocks of

manufactured land mines. Foreign intelligence sources are now convinced the flow of weapons from China has dried up and weapons must now be bought on the Thai and Cambodian black markets, or from the KR's foe, the Cambodian army.

In all, the Khmer Rouge is believed to have between seven and ten thousand troops, with three to four thousand in the Pailin-Phnum Malai region, three to four thousand in the northern command centered on its Aung Veng stronghold and the remainder scattered around the country.

NADK divisions 415 and 450 have been involved in negotiations with RCAF deputy chief of Staff, Nhoek Bunchhai and Co-Defense Minister Tea Chamrath since late June.

According to sources the commanders of both divisions agreed to switch allegiance to the Royal Government in early August.

Cambodian military intelligence estimates Division 415, under the command of Mit Chhien and based at Pailin, consists of 1,500 soldiers and 13,000 civilians.

In Khmer Rouge terminology, the word civilian includes noncombatant troops tasked with logistic and other support roles.

Division 450, under the command of Sok Pheap and based at Phnum Malai, consists of 900 troops and 8,500 civilians, but Western observers claimed the figures for both units seemed unrealistically high.

Any estimate of the exact number of troops who have switched allegiance is further complicated by unconfirmed reports that fighters from both units are said to have joined Front 250 which is commanded by Ni Kan.

Ni Kan, whose command includes NADK Divisions 320, 705, 948 and 531 which are located in territory between Pailin and Phnum Malai, remained loyal to ideological hard-liners Ta Mok and Son Sen following the KR's denunciation of Ieng Sary.

Negotiations finalizing the "defections" of Divisions 415 and 450 were concluded in the Thai border town of Aranyaprathet in early August, but they remained under threat from divisions making up Front 250 which, according to Thai press reports, mounted both ground and artillery attacks on their former comrades.

However, Ni Kan met with senior RCAF officers on August 11 to talk about terms and conditions of his command's "defection" to the Royal Government, but at press time no details of any settlement were available.

In addition, according to Cambodian military intelligence reports, NADK divisions 518 and 519, consisting of about 600 combat troops and based in Banteay Meanchey province were also prepared to switch allegiance as of mid-August.

The apparent domino effect following the breakaway of Divisions 415 and 450 may even have spread as far east as Kratie province, where 70 KR defectors are said to have surrendered to provincial authorities on or about August 13.

Ministry of Information spokesman, Sieng Lapresse, said the group had quit their base in Chhlong on the border of Kratie and Kompong Cham.

"This is a very symbolic defection," Lapresse said. "This area is the cradle of the Khmer Rouge but it had become isolated from the central command."

"RCAF has cut their supply and communications lines through Kompong Thom province and the news from the west was demoralizing. Like everybody else these guys became tired of the fighting — tired of no medicine and no schools for their children."

But Ministry of Defense spokesman, Chum Sambai, said he had not heard of the Kratie defections.

"I do not think it is true," he said.

Nonetheless, several international observers, while cautious in predicting the exact outcome of the ongoing negotiations in Cambodia's northwest, agreed they were of enormous importance.

"This is a very significant chunk of territory for both the Royal Government and the Khmer Rouge ideological hard-liners. This area is the principle axis of the KR's economic strength as a result of timber and gem trading — this is the heart of their economic power," said one.

"Strategically the territory the KR now control has been slashed in half — communications, logistics and transport, the ability to shift troops and political cadre will be very much more difficult."

"[But] those people who are declaring the Khmer Rouge dead know little about Cambodian history or the history of the KR. The KR has managed to survive as a force to be reckoned with, despite its tradition of splits and internal purges — a tradition which goes back to the organization's very beginnings in the Indo-Chinese Communist movement of the 1930's."

"That region [the north-west] has never been under the control of the central government — it's the 'wild west' with brigand making their own deals and doing their own thing..."

"Given the terrain, and the independence these units appear to be demanding, they can stay relatively autonomous and that would be typical of the pattern of multiple warlord fiefdoms which have dominated that part of the country for a thousand years."

Cambodia: Sihanouk Agrees to Mass Pardons; No Mention of Khmer Rouge

BK2408094096 Hong Kong AFP in English
0926 GMT 24 Aug 96

[FBIS Transcribed Text] Phnom Penh, Aug 24 (AFP) — King Norodom Sihanouk of Cambodia said Saturday he had agreed with a plan to hold an October ceremony to grant pardons to possibly thousands of people but made no mention of who might receive them.

A vaguely-worded, two-paragraph statement, in the form of a letter to Cambodia's chief Buddhist monk, left unclear the status of breakaway Khmer Rouge faction leader Ieng Sary whom co-premiers Prince Norodom Ranariddh and Hun Sen on Friday asked the monarch to consider pardoning.

In the letter to the Venerable Tep Vong, the king said he supported "100-percent" plans for the government and the church to organize a "release and reduction of sentences ceremony on the occasion of my birthday celebrations" in late October.

King Sihanouk will turn 74 on October 31 and has in the past granted clemency and pardons to convicted criminals on his birthday as goodwill gestures to his subjects.

Tep Vong told AFP he had been referring only to prisoners when he made his August 21 suggestion to the king, but said it would be possible to pardon Ieng Sary and other Khmer Rouge if they realized their mistakes.

"My letter ... doesn't mention Ieng Sary, Pol Pot, Son Sen or Ta Mok," he said referring to the Khmer Rouge hierarchy. "But all of them could receive the same pardons if they change their attitudes and resign from the Khmer Rouge."

King Sihanouk on Thursday said he would consider pardoning Ieng Sary, Pol Pot's former right-hand man, only if both premiers and two-thirds of the National Assembly asked him to do so.

He gave no indication of what his decision to such requests might be and though the first condition has been met, the parliament, which is now in recess, has yet to consider the matter.

Under its procedures, legislators cannot hold an extraordinary session unless it is ordered by the permanent committee.

That committee is scheduled to meet Tuesday to consider unrelated issues but could add the amnesty question to their agenda and call an extraordinary session, according to several of its members.

Ieng Sary, now leading a renegade faction of the guerrillas who split with the hardline central leadership, was convicted of genocide in absentia in 1979 along with Pol Pot in a show trial organized by the Vietnamese-installed government that overthrew Democratic Kampuchea.

He is alleged to have lured hundreds of educated Cambodians back to their homeland to help rebuild it and ordered their executions on their arrival.

Because of his checkered past, many Cambodians are wary of him resuming a political role in the country.

Cambodia: Khmer Rouge Accuses Breakaway Leaders U.S. 'Pawns'

BK2508103596 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 24 Aug 96

[FBIS Translated Text] The traitors Ieng Sary, Chhien, and Pheap are not leaders at all, but pawns of the United States. The latter ordered them to (?defect) to allow the alliance and communist Vietnam to do away with the Cambodian nation and people, but they have been heavily defeated.

Events in Malai and Pailin did not occur by chance. They were part of a stratagem initiated by villainous foreigners, specifically the United States. The United States has systematically coordinated with the traitors Ieng Sary, Chhien, and Pheap for years. Their goal is:

1. To stir up division within Democratic Kampuchea forces in the rear.
2. To (?lure) frontline forces fighting them to stop attacking them in the upcoming rainy and dry seasons and in the future.
3. If their tactics succeed, they can easily catch the people, the army, and the army dependents, then throw them on trucks to Phnom Penh, thereby allowing communist Vietnam's puppet Hun Sen to slash their throats with impunity as they already did to the people in Site A, Site (?B), and Site 2 camps. This is their main goal.

However, this problem is not like the one faced by the people in the camps. The latter were simply ordinary refugees while the army, the army dependents, and the population in Malai and Pailin are fighting forces that have repeatedly beaten communist Vietnam, the

communist Vietnamese puppets, and the alliance, and have also inflicted the last, strategic defeat on them. Therefore, communist Vietnam and its puppets have to slash their throats more vigorously.

This problem is obvious. The masses and people in Malai and Pailin also clearly see this problem. That is why, the masses and people, forcibly evacuated by the traitors, have returned to their houses one by one and are seeking to do away with the traitors Ieng Sary, Chhien, and Pheap.

Indonesia

Indonesia: Jakarta Downplays Possible Cancellation of F-16 Sale

BK2308122296 Jakarta ANTARA in Indonesian
23 Aug 96

[Received via Internet]

[FBIS Translated Text] Jakarta, 23 Aug (ANTARA) — Minister and State Secretary Murdiono has stated that it will not be a problem for Indonesia if the U.S. Government cancels its offer to sell F-16 jet fighters to Indonesia.

"President Suharto has never given high priority to purchasing the aircraft. Economic development remains our main priority," he told journalists in Jakarta on Friday.

The minister and state secretary said this after he was asked to comment on news from Washington that the United States had canceled the planned sale of the jet fighters.

Murdiono said it was the United States that first offered the jet fighters to the Indonesian Air Force.

President Clinton conveyed the offer to President Suharto in Washington in November 1995.

President Suharto has stated that economic development is the Indonesian Government's main priority and the U.S. offer will be considered only if Washington is willing to give facilities, like an export credit.

"Thus, it will not be a problem for Indonesia if the United States cancels the offer. We strongly object to any attempts to link the offer with Indonesia's internal affairs," Murdiono said.

Murdiono said Indonesia would use its own methods to deal with its internal affairs.

The minister added that any legal offense in Indonesia would be settled in an open court.

Indonesia: Official Views Growing Trade Ties With PRC

BK2408151496 Jakarta REPUBLIKA in Indonesian
24 Aug 96

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Jakarta — Normalization of Indonesia-PRC diplomatic ties in 1990 has boosted trade ties between the two countries over the past 10 years.

"When the two countries officially opened direct trade links through an agreement signed by the Indonesian Chamber of Commerce and Industry and the China Council for the Promotion of Foreign Trade in Singapore on 5 July 1985, Indonesia's exports to the PRC stood at only 187.774 billion rupiah, but our exports to the PRC increased 20-fold to 4.006 trillion rupiah in 1995," said Sukamdani Gitosarjono, chairman of the Indonesia-PRC Institute in Jakarta yesterday.

Meanwhile, PRC's exports to Indonesia also increased significantly — from 572.5 billion rupiah in 1985 to a five-fold increase of 3.439 trillion rupiah in 1995. "Obviously, the trade balance with the PRC is in our favor," said Sukamdani. [passage omitted on details of commodity exports]

In an effort to further boost trade ties, the Indonesia-PRC Institute will host a trade seminar in Jakarta on 28 August with Mokhtar Riady (Lippo Group) and Alim Markus (Maspion Group) as speakers. PRC businessmen will also visit several cities in Indonesia, while Investment Affairs Minister Sanyoto Sastrowardoyo will attend a trade seminar in Shanghai on 9-10 September.

Philippines

Philippines: Official Says APEC To Focus on Resolving Common Issues

BK2308121796 Manila TODAY in English
19 Aug 96 p 8

[Report by Manuel Cayon]

[FBIS Transcribed Text] Davao City (Via PLDT [Philippine Long Distance Telephone Co.]) — Talks to settle bilateral differences will continue to be an important part of the meetings of the Asia-Pacific Economic Cooperation (APEC), but the Philippines, as host, has advised concerned member-economies to conduct such discussions in small group meetings "and find creative solutions to their conflicts."

Foreign Affairs Undersecretary Federico Macaranas, chairman of this year's APEC senior officials' meetings,

said that while there are a number of cases of bilateral conflicts among the 18 APEC member-economies, APEC "is more concerned with finding ways of resolving issues common to most members."

Among the notable bilateral cases involve the dispute between China and the United States over the intellectual property rights issue. "It's over a year-old issue between the two countries, and we are not allowing their conflict and those of others to meddle into the main discussion of regional economic cooperation," Macaranas said.

He said the intellectual property rights problem is "not any different from the software piracy in the Philippines," citing the common practice of copying computer programs by one user from another.

"These are the realities of the 21st century," Macaranas said. "You have to contend with different kinds of rules where economics produce services and not goods."

"The intellectual property rights issue between China and the United States is but a tip of the problem between APEC members," he said, "and I can cite dozens of such cases." He said a number of the problems touch on noneconomic issues such as human rights "which can be discussed in another forum."

"We must be reminded that this is an economic cooperation and we are finding ways of resolving issues more common to more than two countries and it would be much better if 18 shared the issue," he said.

"We have suggested here to the delegates that they should find creative solutions to their problems in small group meetings and to present these to the plenary session," he said.

Philippines: Columnist Views Indonesian President's Rule 'Kleptocracy'

BK2608080296 Manila THE MANILA CHRONICLE
in English 19 Aug 96 p 4

[From Ricardo Malay's "First Opinion" column:
"Suharto Losing His Cool"]

[FBIS Transcribed Text] It's too early to tell whether the turmoil in Indonesia is a tempest in a teacup or whether it will lead to a democratic changeover after 30 years of the Suharto dictatorship. Analysts agree that as Megawati Sukarnoputri steps up her confrontation with the man who toppled her father, the regime will respond in equal measure, if not more. Megawati, who was ousted as head of the Indonesian Democratic Party, has been summoned twice for police questioning in connection with the wave of anti-government street protests. The strong resemblance of the Indon events to

the brewing unrest in Burma underscores the challenges facing authoritarian rule in the region.

In a move worthy of Ferdinand Marcos, Suharto has started to blame the communists for agitating and stage-managing the escalating protests. His tantrum, though predictable, lacks credibility for the Indonesian Communist Party (PKI) has preceded the demise of other fraternal parties by several years. After its debacle arising from the 1965 anti-communist coup, the PKI (once the third largest Red party in the world) was crushed, its leaders exiled and it fell into oblivion soon after. So, why would Suharto resurrect the ghost of communism in his struggle to hang on to power?

For a country that was dominated by the PKI and was once a close ally of China, Muslim Indonesia nurtures a deep mistrust for the ideology that it claims sowed hatred and disunity among its people. Among Marxist historians, Indonesia is considered the classic example of communism's earlier failures. By raising the bugaboo of communism, Suharto is telling the Indonesians whether they want Islam to be replaced by the PKI or whether they wish to continue treading the path of progress under his watch.

There are signs that Suharto is losing his bearings as he casts about for scapegoats. His spokesman has come up with the ridiculous assertion that the New People's Army (NPA) is training Indon opposition groups without offering evidence. The NPA aiding neighboring rebels? With its problem of preventing any further diminution to its ranks brought about by the waning fortunes of the revolution, the NPA is the least capable source of assistance to the Indonesian opposition. What will Suharto think of next in his frantic desire to rule his country for another eighth term?

The Indon regime has also fingered the Labour Party of Australia as a financial supporter of the opposition. But when asked to specify its charges, the regime clarified it meant Australian labor unions, but again it offered no substantiation. Obviously, the president wished to make a case against foreign intervention, but preventing foreigners from showing their solidarity with victims of fascist oppression has always been out of step with political correctness.

According to some Western supporters of Indonesia, certain matters ought to be put into perspective in judging the third largest country in the world. They insist that Indonesia's annexation of East Timor in 1975 was forced upon it by Portugal's hand over of the territory to the leftist Front for the Liberation of East Timor. The principle of "no choice" but to invade, to put it simply.

In the early '60s, President Sukarno led a frenzied campaign to crush Malaysia (Ganjang Malaysia) which, he charged, was a creature of British colonialism. Beyond sending a few paratroopers to the newly created state, his plan to bring Malaysia to heel appeared to be more of a grandstanding move than an act of war.

But Suharto, who presented himself as the opposite of Sukarno, threw public opinion to the winds and proceeded to colonize East Timor because of its "communist threat." The western apologists of Indonesia want us to be compassionate with the Jakarta regime in light of its East Timor predicament. There are few buyers of this line simply because no one believes that a tiny slice of real estate with less than a million people would be a threat to a nation of 7,000 islands and 204 million people.

Robert Manning, writing in the INTERNATIONAL HERALD TRIBUNE, cites the "economic dynamism" under Suharto which has lifted the majority of the population above the poverty line. He also cites the fledgling middle class and the proliferation of civil society — including activist human rights and environmental groups — as part of the process toward political pluralism.

Throughout his disquisition on why the world should be kinder and gentler to Suharto, the American writer failed to mention that Suharto's kleptocracy (as published) has made Marcos look like a petty pilferer of paper clips and pencils. For that is the outstanding reality that has prevailed in Indonesia for years: a dictator helping himself to the country's vast economic spoils with help from his extensive family, his Golkar political party, and his Chinese business cronies.

So much is made about the vibrant economy that is hailed as powering the country to NIC (newly industrialized country)-hood status by the next century. Yet there is an attempt to gloss over the fact that the booming prosperity in Indonesia is largely due to the sweatshop workers who get \$2.28 a day stitching running shoes and garments for the highly paid people in the Western world.

Philippines: Ramos Invites OIC Chief to Jakarta Meet

BK2608045396 Manila BUSINESS WORLD
in English 26 Aug 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] It's all systems go for the government as members of its peace panel and their counterparts from the Moro National Liberation Front (MNLF) flies to Jakarta today to initial the peace accord

that would pave the way for Mindanao's transformation into an economic powerhouse.

President Ramos, in his effort to showcase the government's determination to see the peace process succeed, has invited Hamid Algabid, the secretary-general of the Organization of Islamic Conference [OIC], to witness the initialing of the agreement in Jakarta, which will take place on 30 August, and its formal signing in Malacanang on 2 September. In his letter to Mr. Algabid, Mr. Ramos wrote: "We are confident that a smooth process of finalization will ensue in Jakarta and our (government)...looks forward to your indispensable presence in the initialing ceremony."

He also asked the OIC chief to witness the "historic" signing of the accord and personally see for himself the result of the organization's efforts in doing its share to settle the long-standing conflict in Mindanao between the Moro rebels and the government.

Thailand

Thailand: Editorial Says ASEAN Should Rethink Burma Policy

BK2408133496 Bangkok BANGKOK POST
in English 24 Aug 96 p 8

[Editorial: "Short-Term Gain Is Not Everything"]

[FBIS Transcribed Text] The State Law and Order Restoration Council [SLORC] has responded to ASEAN's demeaning embrace by jailing a further 11 elected representatives of the National League for Democracy. If the SLORC apologists in the Association of Southeast Asian Nations felt they could moderate the behaviour of the junta by giving it observer status, heaven help the Burmese people when Rangoon is granted full membership.

The recent coddling of SLORC by Indonesia and Malaysia lends weight to the view that ASEAN's policy of constructive engagement is little more than a pretext to capitalise on the greed of the generals and the misery of 47 million Burmese people. The governments of predominantly Muslim Indonesia and Malaysia, after all, chose to fete Ohn Gyaw, the visiting foreign minister of a junta that drove more than 245,000 Rohingya Muslims at gunpoint from Burma into Bangladesh and continues to persecute their co-religionists elsewhere.

While Jakarta struggles to confront the consequences of its own heavy-handedness against its political opponents, and Kuala Lumpur gropes in the dark after the lights went out, they might consider the merits of their efforts to make the SLORC the 10th member of

ASEAN. As founding members of the regional grouping, they might recall that ASEAN was established in 1967 to accelerate economic growth, social progress and cultural development in Southeast Asia.

The apologists have distorted the founding principle to give the impression that the interests of social progress and cultural development in Southeast Asia will be served by economic growth pure and simple. In the meantime, they would have us turn a blind eye to the atrocities the junta inflicts on the Burmese people day in, day out. If the Burmese people were asked if the key to their happiness was economic growth or the departure of the SLORC, the answer would be illuminating, particularly in Kuala Lumpur.

The recently-released "Human Rights Year Book 1995: Burma" sets out in black and white what Jakarta and Kuala Lumpur already know about the SLORC's treatment of Muslims, who constitute four percent of the population, but would rather not be reminded. An excerpt: "In Rangoon, the authorities recently issued an order to the Muslim community there that the government needed the burial grounds of Muslims in Rangoon for the development of a city project. SLORC has already confiscated Muslim graveyards, orphanages and a residential building for aged Muslims, including a mosque in Mandalay. Leading members of the Muslim community who were managing the trust properties were jailed when they protested."

Muslims are not, of course, the only section of society to suffer at the hands of the generals in Rangoon. SLORC can only be seen to be even-handed in the barbarity it inflicts upon Burmese without regard for ethnic or cultural origin. Governments in the East and West know what is going on in Burma, but few have the wisdom to see beyond the bottom line and discourage trading links that sustain SLORC and prolong its brutal and backward rule.

ASEAN appears determined to bring into its happy family an illegal regime that exists in its own dark age and can offer little but access to a captive workforce, soon-to-be depleted national resources and a haven for international heroin traffickers. Short-term gain at the expense of Southeast Asia and its environment was not enshrined in ASEAN's founding principles.

Thailand: Sources Say Pro-SLORC Karen Rebels Launch 'Terror Campaign'

BK2508111496 Bangkok BANGKOK POST
in English 25 Aug 96 p 3

[Report from Mae Sot by Supamat Kasem]

[FBIS Transcribed Text] Pro-Rangoon Karen rebels have launched what amounts to a terror campaign to force Karen refugees living near the Thai border to return to Burma, Thai military sources said yesterday.

The sources cited a sudden upsurge of gunfire attacks and raids carried out by members of the Democratic Karen Buddhist Army (DKBA) against the refugees and troops loyal to the anti-Rangoon Karen National Union (KNU).

On Friday about 20 DKBA troops from SLORC [State Law and Order Restoration Council]-controlled Kawmura camp opened fire from two longtail boats at the house of a former KNU officer in Don Pa Klang refugee camp in Ban Hual Bong, Mae Ramat.

Capt. Tun Kyi was killed and several refugees in the same neighbourhood were forced to evacuate to safer places away from the border demarcated by the Moei River.

The same refugee camp was raided by about 15 DKBA renegade Karens before dawn yesterday.

The intruders robbed Mrs. Naw Da's store in the camp of cash, dried food, liquor and cigarettes worth altogether 3,000 baht.

They forced two camp officials, Kaw Lawa, 55, and Kyaw Shwe, 50, to go with them in two commandeered longtail boats belonging to Thai villagers.

Later yesterday, the renegade Karens sent a message through Karen villagers to camp leader Bo Ye Mya demanding 5,000 baht in exchange for the freedom of the two kidnapped officials.

But the two hostages were released by their captors without the ransom being paid.

On the same day about 30 DKBA troops crossed the border into Ban Mae U-Su in Tha Song Yang.

Just a few days ago the renegade Karens opened fire with assault rifles from a longtail boat at Ban Mae La Yang in Tha Song Yang. No injuries were reported.

Thailand: DKBA Troops Fire Onto Thai Soil, Wounding Soldiers*BK2508145496 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 25 Aug 96*

[FBIS Translated Text] At about 0100 today, two groups of about 30 troops of the Democratic Karen Buddhist Army (DKBA) armed with RPG's, M16 submachine guns and AK rifles, ambushed Thai soldiers from the 431st company of the 4th infantry regiment. One group fired at Thai soldiers who were patrolling at Tha Song Yang District of Tak Province. As a result, Sergeant Major First Samran Changkhunthot and Private Suchat Thamma were wounded by shrapnel. Another group fired RPG's at Kolu village, about 100 meters from the first group. One grenade landed on the roof of a house belonging to a Thai national of Karen origin, but did not explode. Thai soldiers returned the fire for about 20 minutes. The foreign troops, taking advantage of the darkness and their familiarity with the local terrain, fled into Burma.

According to a report, the DKBA sent a letter to the Thai soldiers two months ago, accusing them of supporting members of the minority Karens loyal to Gen. Bo Mya at Tha Song Yang District. The DKBA threatened not to respect the Thais any more.

Thailand: Further on DKBA Assault on Thai Soldiers 25 Aug*BK2608053396 Bangkok THAILAND TIMES in English 26 Aug 96 p A1*

[Report by Atsawin Phinitwong]

[FBIS Transcribed Text] Tak — Two Thai Army soldiers patrolling the Thai-Burmese border are in hospital after sustaining serious injuries in an ambush by Democratic Karen Buddhist Army (DKBA) troops early yesterday morning, according to border patrol police.

Around 30 DKBA guerrillas armed with RPGs, M-16s and AK-47s crossed the border from Burma shortly before 0100 a.m. yesterday, police said.

The guerrillas then split into two groups. The first surprised the military patrol in front of the Mae Usu cave in Tha Song Yang district's Mae Moei National Park.

The second attacked the nearby village of Ban Ko Lu, located around 100 metres from Mae Usu, but no one was injured.

The two soldiers wounded in the ambush were identified as Sergeant Major First Class Samran Changkhunthot and Private Suchat Thamma of the 4th Infantry Divi-

sion's 431 Battalion. Both were admitted to Mae Sot Hospital.

A military source who requested anonymity said Army Commander-in-Chief Pramon Phalasin had ordered an immediate investigation into why the patrol was unable to overcome, or even injure, its attackers, despite being able to call on superior resources, such as rapid-response helicopter gunships.

"Pramon was furious and suspected someone had benefited in return allowing the DKBA to prevail," the source said.

During 20 minutes of fighting, the patrol only managed to fire off five rounds against the guerrillas, who slipped back across the border without sustaining any injuries. The border police believe the DKBA troops were based in the Phoppa camp, across the border from Tha Song Yang.

Col. Suwit Maenmuan, who commands Thai troops in the area, said the patrol's ability to respond to the attack was limited by heavy rain and fear of injuring villagers. He said he had sent the patrol into the area after a tip-off on Thursday that the DKBA was planning a raid on the Thai side of the border.

Suwit added that he had recently deployed reinforcements along the border in response to an unexplained accumulation of DKBA troops in the area.

The DKBA reportedly sent a letter effectively declaring war on the Thai border troops two months ago, which accused them of supporting the Karen separatist Karen National Union (KNU), under Gen Bo Mya.

Since then, it has killed a former KNU officer, a friend of Bo Mya, in a Tak refugee camp. On Saturday, it also abducted two Karens from a refugee camp in the province.

The DKBA broke away from the KNU two years ago. Since then, it has joined the Burmese army in waging war on its former comrades.

"The Rangoon government has repeatedly promised Thailand that it will crack down on the DKBA, which has increasingly aimed its attacks on Thai villages and refugee camps housing ex-KNU troops in recent months. However, there has been little evidence of any efforts in that direction.

Thailand: Daily Justifies Opposition's Move To Grill Banhan

BK2308143696 Bangkok SIAM POST in Thai
23 Aug 96 p 3

[Editorial: "No-Confidence Motion Against Prime Minister"]

[FBIS Translated Text] Opposition and Democrat Party leader Chuan Likphai, joined by leaders of other opposition parties, has submitted a motion seeking a censure debate against Prime Minister Banhan Sinlapa-acha for his leadership failure. The motion was submitted to the Parliament President Bun-ua Prasetsuwan on 20 August. The motion claims Banhan has no legitimacy to continue as prime minister as he lacks the knowledge and the ability, and has been ineffective in office. It says that he also lacks vision, good judgment, a sense of ethics and morality, and that he has no qualities required of a government leader. It adds that he is fraudulent, selfish, irresponsible and lacks dignity, and that, in collusion with his cabinet ministers and friends, he has abused power and influence for personal gain.

in the motion, the opposition also accused the prime minister of other serious mistakes. It says the prime minister has turned a blind eye to corruption, and is more concerned about his own political survival than that of the country and the people. There have been offenses committed. Banhan has also failed to implement the government policy declared in parliament. He forced the media to give one-sided views when covering news on the government.

The motion also says his government has caused considerable damage to the national administration, foreign affairs, political, economic, social, and the morals of the country. The opposition sees Banhan as having entirely lost his legitimacy to lead as prime minister.

Although the motion seeks to grill the prime minister alone this time, it is considered a continuation of the May no-confidence debate against ten cabinet ministers. As a result of that debate, the prime minister carried out a major cabinet reshuffle. The police also issued warrants of arrest for suspects involved in the embezzlement case at the Bangkok Bank of Commerce, and another warrant is expected to be announced soon for the arrest of a former deputy minister.

Not long before the opposition submitted the censure motion, Justice Minister and Muan Chon Party leader Police Captain Chalorn Yubamrung, revealed that about 750 million baht in kickbacks had been paid for each of the three new banking licenses approved by the government. He challenged the prime minister to resign due to his lack of legitimacy.

Thaksin Chinnawat, former deputy prime minister and leader of the Phalang Tham Party, said after his party had pulled out from the government that he felt like throwing up. In an interview with well-known journalist Sutthichai Yun, Thaksin said he never dreamed of becoming prime minister, especially one that the people would not accept.

The Phalang Tham Party's sudden withdrawal has caused the government to lose 23 seats in parliament. Although the coalition has 209 seats and still controls a majority, this is always a risk for Banhan. The possibility is there that a coalition partner might just not vote for him if he fails to give satisfactory answers to the opposition's grilling.

To be fair, the opposition also risks losing the public's faith if it cannot substantiate the charges against Banhan. Meanwhile, Banhan is not supposed to be happy with a victory gained by parliamentary majority if this is in conflict with the people's views.

Politicians in a democratic system, especially those at the upper levels, must uphold moral principles and place national interests above all things. They must not resort to options that may be detrimental to the parliamentary or democratic system. Instead of holding on to parliamentary dictatorship and facing public condemnation, they are urged to resign or dissolve the parliament if they are left with no better choices.

Thailand: Prime Minister Taken To Task for Putting Off Censure Debate

BK2508105196 Bangkok BANGKOK POST
in English 25 Aug 96 p 2

[Unattributed report]

[FBIS Transcribed Text] The Opposition took the Prime Minister to task yesterday for postponing its motion of no confidence in him.

Government spokesman Somsak Pritsanananthakun said Mr. Banhan had told Cabinet Secretary-General Witsanu Krua-ngam to inform parliament that he would face the censure debate on September 18. The House Speaker had tentatively scheduled the debate for the 11th.

Mr. Banhan was accused by the Opposition last week of trying to use the ongoing constitutional amendment deliberations to delay the censure debate.

The government said the postponement was necessary because Mr. Banhan was scheduled to visit India on the 11th.

Opposition Leader Chuan Likphai said that if this was true then the delay was understandable.

But if the delay was for astrological reasons it would be the wrong thing to do.

This was a reference to Mr. Banhan's reported propensity for undertaking matters of importance only on astrologically auspicious dates.

Mr. Chuan said it would be highly inappropriate if the India trip had not been scheduled before the date for the censure debate was set by the House Speaker.

Opposition whip Thoetphong Chaiyanan said that a foreign visit was not a good reason, because the prime minister should have known that the Opposition would be filing its motion at about this time.

"Foreign trips should have been scheduled for later, when parliament isn't in session," Mr. Thoetphong said.

Democrat executive Churin Laksanawisit said the government was trying to drag the constitutional amendment effort on until after the censure debate.

This was so as to force the coalition partners to support the premier during the censure since. If they did not, he could dissolve parliament and all pending legislation would be automatically dropped.

Mr. Churin charged that there had been an attempt to delay the censure as much as possible towards the end of September when the House will adjourn.

This was so that the censure debate could be heard and then the current House session immediately closed.

And any fallout from the debate could be minimised because the Opposition would not have a political stage to follow up on their debate.

He said that he feared that once September 18 came close, the government would again postpone the debate by citing the ASEAN parliamentary meetings which are to be held at about the same time in several countries.

Phalang Tham leader Thaksin Chinnawat said it would not be a good thing if the prime minister postponed the debate for too long because the public was watching the issue.

"The prime minister might believe in looking for an auspicious date and he might have some other work to do. But if it's not really necessary then there should not be any postponement," Mr. Thaksin said.

Asked about the report that the censure debate was being postponed to September 18, Mr. Thaksin said he was not sure because some people told him it would be postponed to September 25.

Thailand: Spokesman Says Government Ready for Censure Debate

BK2608033696 Bangkok Radio Thailand Network in Thai 0000 GMT 26 Aug 96

[FBIS Translated Text] Somsak Pritsanananthakun, a spokesman of the Prime Minister's Office, has reiterated that the government is not delaying the no-confidence debate. The government has said that it would be ready for the no-confidence debate on 18 September. The government has instructed cabinet ministers to prepare information on their work during the past 13 months to answer opposition's questions. The government believes in its sincerity in national administration.

[Begin Somsak recording] There are reports that the government is trying to avoid the no-confidence debate. They are not true. On 13 September, the parliament will debate the draft bill on the amendment of Article 211 of the Constitution for the third reading. So, it would be impossible for us to hold the censure debate on 11 and 12 September. Therefore, I would like to inform you that the government has scheduled 18 September for the no-confidence debate. [end recording]

Thailand: House Speaker Schedules Censure Debate for 18 Sep

BK2608073396 Bangkok Radio Thailand Network in Thai 0530 GMT 26 Aug 96

[FBIS Translated Text] House Speaker Bun-ua Prasertsuwan has set 18 September for no-confidence debate against the prime minister. He reiterated that there would be no postponement even if somebody is busy. He said that previously, the no-confidence debate was expected to be held on 11 September. But the secretary general to the cabinet had informed the secretary of the House of Representatives that the government would be ready for the no-confidence debate on 18 September. Therefore, he consulted with the opposition parties over the issue and they had no objection. So, he scheduled the no-confidence debate on 18 September.

Thailand: Editorial Suspects People 'Duped' on Political Reform

BK2608060796 Bangkok BANGKOK POST in English 26 Aug 96 p 10

[Editorial: "People Must Have a Say on Reform"]

[FBIS Transcribed Text] Banhan Sinlapa-acha, who could well be Thailand's most unpopular elected prime minister ever, came to power through a political system that large sections of the public want reformed. Banhan says he shares this desire, but the latest developments would appear to suggest otherwise.

Prime Minister Banhan Sinlapa-acha portrays himself as embracing political reform, as someone who is flexible and compromising in avoiding confrontation that will most likely have a negative impact. This was clearly manifested when a compromise was worked out last Thursday between the Government, Opposition, Senate and Chai-anan Samutwanit panel over a body to draft a new constitution laying down the groundwork for political reform.

By giving up one thing for another, the parties concerned agreed to form the Constitution Drafting Assembly to write a new charter. The assembly will be made up of 76 representatives to be selected from people throughout the country by means of indirect election and 23 specialists in law and political science to be appointed by the Parliament. The charter written by the assembly will be endorsed by the Parliament. If rejected by the Parliament, its fate will be decided by a referendum.

Although many people might have wanted the direct election of the 76 members so they truly represent the people, we must be realistic. Direct election will never be accepted by most parliamentarians who fear a loss of status quo in Parliament. The panel chairman, Chai-anan, realised he could not press for direct election and grudgingly accepted a compromise rather than risk having the entire process of amending the charter bog down in impasse. His intentions and efforts, although only half-fulfilled, are nevertheless worthy of commendation. We only hope he will not lose spirit and keep on doing his best for the benefit of the nation.

The compromise worked out in Parliament last Thursday night is acceptable up to a point, the point being the provision that the people who apply to become charter writers will elect from their number 228 nominees. These nominees will be screened down to 76 by the Parliament to form the Constitutional Drafting Assembly.

Somehow, we feel we are again being duped by the Government. With its majority and the divided opinion of the Opposition, government representatives on the Chai-anan panel succeeded in getting local administrative organisations to screen the candidates for the charter-writing job rather than allow the candidates to vote among themselves.

This sudden about-face by the Government constitutes its latest betrayal of public faith in political reform that will truly reflect the people's aspirations. It also shows the true nature of Prime Minister Banhan who publicly professes support for political reform, but does little to see it is realised. Mr. Banhan cannot deny he was involved in this latest twist of events.

It is an open secret that most members of local administrative organisations are local businessmen or contractors with business dealings with local officials. Like many MPs, these local representatives won their political positions through vote buying. And some are local officials answerable to the Interior Ministry.

The mere mention of the Interior Ministry conjures images of a centralised behemoth resistant to all kinds of change. We fool ourselves if we believe this ministry will embrace democracy and allow the people a chance to write the charter without interference.

If the Prime Minister is allowed to have his way in choosing the candidates, and thus dictating the writing of the charter, the efforts of the past year and the desire for true political reform will be in vain. We hope in our faintest hope that conscience will prevail in Parliament and that local administrative organisations will be denied a role in the selection process.

Vietnam

SRV: Radio Cites Officials Praising Hanoi's Role in ASEAN

BK2308150596 Hanoi Voice of Vietnam in English
1000 GMT 23 Aug 96

[Station Commentary]

[FBIS Transcribed Text] The 52d conference of the Council of Chambers of Commerce and Industry of ASEAN member countries was held in Ho Chi Minh City on Friday. This is the second time Vietnam has held the conference of the ASEAN since Vietnam became a full member last year. The previous conference was about aviation cooperation among ASEAN member countries.

Over the past year, Vietnam's participation in ASEAN has proved Vietnam's ability to quickly acquaint itself with the working conditions of ASEAN. Vietnamese Foreign Minister Nguyen Manh Cam said that after having joined the regional organization, Vietnam immediately participated in the ASEAN summit last December, then the first Asia-Europe meeting in March this year, and many preparatory meetings for coining foreign ministerial meeting. Though Vietnam is the youngest member, Vietnam was nominated by the organization to sponsor talks with the two dialogue partners, New Zealand and Russia, and with Papua New Guinea, an ASEAN observer.

As a member of the Council of ASEAN Chambers of Commerce and Industry, the Vietnam Chamber of Commerce and Industry plans to stage an exhibition on ASEAN member countries' economies. The Vietnam

Chamber of Commerce and Industry is also scheduled to hold a meeting between 200 Vietnamese businessmen and 200 other others from ASEAN member countries to exchange experiences and to seek opportunities in doing business in 1996.

Indonesian Foreign Minister Ali Alatas remarked that Vietnam's ability was beyond the imagination of ASEAN leaders. For his part, ASEAN Secretary General Dato Ajit Singh said that Vietnam has done its utmost to keep up with development in other ASEAN countries. Other ASEAN foreign ministers share the same view that Vietnam has enough experience and ability to take part in all activities of the organization.

SRV: VNA Reviews Japanese Economic Investments

*BK2408112396 Hanoi VNA in English
0644 GMT 24 Aug 96*

[FBIS Transcribed Text] Japan ranks second after Taiwan in terms of foreign investment in Vietnam with 160 projects capitalised at USD2.5 billion by the end of July 1996, according to sources from the Ministry of Planning and Investment.

To date, Japan is Vietnam's biggest partner and provider of Official Development Assistance (ODA) to Vietnam (USD800 million in 1996). Recently, Japan signed a note of exchange on providing USD36 million as gratuitous aid to Vietnam in the 1996 fiscal year.

Over the past years, Japanese investment in Vietnam saw a sharp increase in terms of both quantity and scale. In 1989, there were only five Japanese invested projects worth several million U.S. dollars each in the country. Many Japanese giant corporations are currently doing business in Vietnam. They have invested in USD multi-million projects in the fields of oil and gas exploitation, steel, fertilizer and chemicals production, and hotel and office complex development.

Of the 12 car assembling joint ventures currently operating in Vietnam, six belong to Japanese firms with a combined investment capital of over USD300 million. Moreover, Normura Corporation of Japan is a partner of Haiphong Port City to build the Normura USD120.5 million industrial zone in the locality.

SRV: Burmese Military Delegation Arrives for Visit

*BK2308163096 Hanoi VNA in English
1539 GMT 23 Aug 96*

[FBIS Transcribed Text] A high-level military delegation of Myanmar (Burma) led by Lieutenant General Min thein, minister at the Office of the Council of State Law and Order Restoration, arrived here today for an

official visit at the invitation of Defense Minister General Doan Khue.

The Myanmar guests were warmly welcomed and received here by General Khue and other Vietnamese senior officers on their arrival.

The same day, a Vietnamese high-level military delegation held talks with the Myanmar delegation. They briefed each other on their countries' achievements in national construction, army building, and exchanged views on orientation and activities to develop relations between the two armies, and on other issues of common concern.

General Khue gave a banquet in honour of the Myanmar guests this evening.

SRV: Lao Vice President Leaves Hanoi for Southern Provinces

*BK2308163496 Hanoi VNA in English
1542 GMT 23 Aug 96*

[FBIS Transcribed Text] Lao Vice President Sisavat Keobounphan, and his entourage left Hanoi this afternoon for southern provinces, the second leg of his eight-day official visit to Vietnam.

The Lao guest were seen off at an official ceremony in the presidential palace by Vice State President Nguyen Thi Binh, head of the State President Office Nguyen Viet Dung, Deputy Foreign Minister Vu Khoan and other Vietnamese senior officials.

Speaking to the farewell party the Lao vice president reaffirmed that the close solidarity between the two countries would be further developed and last forever.

Both the Lao and Vietnamese vice presidents expressed their satisfaction at the outcomes of their talks as well as measures reached by the two sides to promote bilateral friendship and cooperation in the future.

SRV: Army Paper Marks August Revolution Anniversary

*BK2408090196 Hanoi QUAN DOI NHAN DAN
in Vietnamese 19 Aug 96 p 1,3*

[19 August QUAN DOI NHAN DAN editorial: "Developing the Tradition of the August Revolution, Let's Bring the Renovation Undertaking to a New Height"]

[FBIS Translated Text] Our entire party, people, and army celebrate the 51st anniversary of the August Revolution at a time when the entire country is jubilantly welcoming the successful conclusion of the Eighth Party Congress and boisterously emulating to translate the resolution of the Eighth Party Congress into life.

Fifty-one years ago, on 16 August 1945, a national people's congress held in Tan Trao strongly favored the Communist Party's decision to stage a general uprising and supported the Viet Minh's 10-point policy. Based on this, President Ho Chi Minh issued an appeal to the compatriots, national salvation organizations, cadres, and combatants, urging them to rise up to regain power. Led by the Communist Party, over 20 million people from various areas throughout the country — stretching from the northernmost tip of Lung Cu to the southernmost end of Camau?— simultaneously rose up under the gold-star red banner to conduct an earthshaking revolution that destroyed the colonialist, imperialist, and feudalist ruling yoke and established the first worker-peasant state unprecedented in any colonial countries, that is, the state of the Democratic Republic of Vietnam, thus ushering in a new era — the era of national independence and socialism in our beloved country known for its thousand-years-old history.

The lessons learned from the August Revolution remain valuable in a fresh way and continue to light up the road to a bright future for various generations of our people. The most important and successful lesson of the August Revolution is that we know how to develop the great strength of the masses and view the people's role profoundly: "The Revolution is the Masses' Undertaking". This is also a lesson about "Unity, Unity, Great Unity; Success, Success, Great Success", and about "The Country Regarding Its People as its Root." The spirit of "The Whole Country Being Of The Same Mind When its Comes To Regaining Independence And Freedom" stemmed from the August General Uprising. It continued to be fostered and multiplied throughout the two wars of resistance for national independence and defense which were fraught with untold hardships and sacrifices and which, at time, were in a "very precarious situation."

The road to socialism designed to bring about prosperity and happiness will require our entire people and army to continue their long-term struggle regardless of difficulties and ordeals. The past 10 years saw our renovation process produce many great successes of paramount importance. Our country has extracted itself from socio-economic crisis although certain aspects of life are still not stable enough.

During the current renovation process, the national construction and defense will continue to develop amid a rapidly and complicatedly changing world situation marked with unpredictable factors. The national struggle and class struggle continue to develop under various forms. Great opportunities and challenges are lying ahead of us. Our party and state and our entire people are determined to seize and make full use of op-

portunities, dispel dangers, and expand relations with friends around the world to exploit to the fullest all foreign resources. This is very important, although we are always profoundly aware that the success of renovation, industrialization, and modernization can only be achieved mainly through the mobilization of the local resources of patriotic Vietnamese of various social strata, religious faiths, ethnic groups as well as the resources of compatriots at home and abroad in order to create universal strength.

The political report presented by the Seventh Party Central Committee to the Eighth Party Congress affirmed: "Developing the people's role as a master in the cause of national renovation, industrialization, and modernization is a matter of strategic significance. The cause of national construction requires us to further broaden the national great-unity bloc, regarding the working-peasant class and the intelligentsia as the foundation; and to unite all the people in the great family of the multiethnic Vietnamese people regardless of whether they are living at home or abroad." This is precisely the idea of "using our own strength to liberate ourselves" as taught by Uncle Ho in the August 1945 General Uprising.

To accomplish the renovation process, along with broadening and strengthening the all-people great unity bloc, we must be firm on the party leadership and always concern ourselves with party building. This is an essential issue conducive to the success of a revolution. As the party's leadership role is already very important during normal times, it is even more so during transition periods. To have enough ability and conditions to lead the revolution correctly and effectively, our party must constantly renovate and rectify itself. It is most important that at the present stage, our party must maintain and enhance its working class character. This character must first be demonstrated in its goal and ideals, its political platform and personnel policy, the close relationship between the party and the people and the nation as a whole, and in the correct combination between genuine patriotism and the internationalism of the working class. During the August Revolution, thanks to its reliance on the people, our party — which had only 5,000 members then — led the people in the entire country to conduct the general uprising successfully. Our party now has over two million members who have been steeled and tested in various spheres of activity and in various areas throughout the country. The party members are a core force that develops its vanguard and exemplary role in directing and motivating the people and joining the entire people in bringing the party's renovation undertaking to a new height.

Born from the boisterous popular revolutionary movement, formed and led by the party and Uncle Ho, our

Armed Forces are worthy of being an army of staunch fighters, for they have protected the people and joined them in regaining power and protecting the revolutionary administration. After several decades of serving under the party's invincible banner, cadres and combatants in the entire armed forces have constantly developed the tradition of the August Revolution, remained loyal to the revolutionary cause of the party and the nation, and improved their political acumen, working capability, and their combat effectiveness. They are ready to outstandingly fulfill all their assigned missions in protecting the party, the people, and firmly defending the

socialist regime. Taking up and developing the tradition and the spirit of the August Revolution, our entire party, people, and army must remain united and of the same mind, overcome all difficulties, enthusiastically struggle to successfully implement the resolution of the Eighth Party Congress, continue to carry out the renovation undertaking, and to step up national industrialization and modernization to achieve the objectives of a prosperous people, a powerful country, and an equitable and civilized society in the steady advance toward socialism.

Australia

Australia: Canberra To Revive Nuclear Treaty; Seek UNGA Endorsement

BK2408102296 Sydney THE SYDNEY MORNING
HERALD in English 24 Aug 96

[Article by Margo Kingston; "Canberra Seeks To Re-
vive N-Treaty" — received via Internet]

[FBIS Transcribed Text] The Minister for Foreign
Affairs, Mr Downer, has criticised India for its veto
of the draft comprehensive nuclear test ban treaty, and
announced that Australia will resurrect it by asking the
United Nations General Assembly [UNGA] to endorse
the draft early next month.

In the wake of India's veto to the agreement after long-
running treaty negotiations at the 61-nation disarmament
conference in Geneva, Mr Downer said in Beijing that
he was "disappointed that India has decided to maintain
its position, to stand in the way of good international
policy-making".

The government's decision means the Coalition will
continue Australia's leading role over the last 25 years
in pushing for the ban, and follows talks with the five
major nuclear-weapon countries, all of which had agreed
to the draft treaty.

Officials said all five — the United States, Britain,
France, Russia and China — had agreed to back the
Australian move, and that Australia was confident the
General Assembly would overwhelmingly endorse the
draft treaty.

This would mean that despite India's veto, countries
could still sign the treaty, making them legally obliged
to cease all testing, although it could not officially come
into force without India's signature.

India's Deputy High Commissioner to Australia, Mr
Brij Tyagi, would not comment last night on Australia's
move, but said: "India will stand on its objections, India
will not sign the treaty in its current form."

Pakistan has indicated that it would not sign if India
refused, but officials said yesterday most countries
would sign once the General Assembly had endorsed
the draft treaty.

Mr Downer said too much work had been done on the
treaty to lose momentum now.

"I do not think that the world will be well served if we
give up on this comprehensive test ban treaty because
one country doesn't want it," he said.

India vetoed the pact on Tuesday because it did not
contain a pledge by the big five to scrap the estimated
21,000 nuclear weapons in their combined arsenal.

It is also concerned about provisions which require 44
countries with nuclear industries, including India, to
sign before the treaty takes effect.

Mr Downer said: "The Australian Government has
decided that we will not let the comprehensive test ban
treaty die. We are taking a lead on this, because we
have credibility, we have status on disarmament issues.

"At the end of the day this is something we mustn't give
up on, and Australia is taking the lead to make sure the
comprehensive test ban treaty does not die."

Officials said that behind India's official objections to
the draft were its "regional security concerns" about
China.

India had "lived by nuclear ambiguity for a number of
years", one official said, and Australia did not expect a
change of heart in the medium term.

Australia: Li Peng Warns Canberra To Ignore Dalai Lama's Visit

BK2408112096 Sydney THE SYDNEY MORNING
HERALD in English 24 Aug 96

[Article by Stephen Hutcheon; "China Warns Australia:
Ignore Dalai Lama's Visit" — received via Internet]

[FBIS Transcribed Text] The Chinese premier, Mr Li
Peng, has warned Australia to officially snub the Dalai
Lama when he visits next month, for the sake of
continuing good relations with China.

Mr Li pointedly told the minister for foreign affairs, Mr
Downer, during a meeting this morning that China's
good relations with Germany had been badly strained
over what Beijing saw as German support for the exiled
Tibetan religious leader.

"I took this to be a message that the Chinese leadership
does not want Australian ministers to meet with the
Dalai Lama," Mr Downer said.

But he shrugged off the warning, saying: "This is an
issue on which the Australian Government does not
agree."

This response suggests that Australian officials believe
China is trying to use Mr Downer's visit to prise
political concessions out of the Howard government.

Relations with Germany, once China's strongest Euro-
pean ally, are in deep freeze following the passage in
June of a parliamentary resolution condemning China's
human rights record in Tibet.

Although there has been no evidence of economic
retaliation, Mr Li has said before that countries which

display a "more lenient" policy towards China will be rewarded with more contracts and deals.

"The Chinese Government take the view that they would rather we would not meet with the Dalai Lama," Mr Downer said.

"We take the view that the Dalai Lama is a religious leader and that it is appropriate to meet with religious leaders. We meet the Pope, we meet the Dalai Lama. The previous government did that."

Mr Downer said the Chinese Government's concern over the Dalai Lama's visit and next month's trip to Taiwan by the minister for primary industries, Mr Anderson, would not upset the overall relationship.

Australia: Editorial Discusses differences With PRC Over Tibet

BK2608042196 Sydney THE SYDNEY MORNING HERALD in English 26 Aug 96

[Editorial: "Differences on Tibet" — Received via Internet]

[FBIS Transcribed Text] On his last visit to Australia in May 1992 the Dalai Lama met the then Prime Minister, Mr Keating, without much fuss. In advance of the Dalai Lama's return to Australia next month, there has been agitation and concern about whether he should meet Mr Howard. The issue shadowed the Foreign Minister, Mr Downer, on his visit to China but fortunately did not dim its success.

Before Mr Downer's departure for Beijing, the Chinese Embassy was using very tough language indeed. On August 14 it said: "The Chinese Government hopes the Australian Government will, proceeding from the general interests of the friendly relations between our two countries, refrain from undertaking any official contact with the Dalai Lama and from providing a forum for the Dalai Lama in his anti-China and splittist activities so that our bilateral relations would not be damaged." This was bullying language. Mr Downer rightly ignored it and has now told Chinese leaders in Beijing he will meet the Dalai Lama. Mr Howard, of course, should meet him too, as leader of a religion whose adherents in Australia, though not numerous, are rapidly increasing and whose numbers worldwide are very great.

The Chinese Government insists, correctly, that the Dalai Lama is not merely a religious figure. But its claim that the Dalai Lama is a threat to Chinese national unity is an affront to truth. Its assumption that Tibet and the Tibetan people are part of the Chinese nation is not based on uncontroverted historical facts. What the Chinese Government calls attempts to "split the

motherland" are, from the Tibetan viewpoint, simply assertions of the Tibetans' fundamental human right of self-determination.

The complicated quarrel between Chinese and Tibetans over their constitutional and political relationship is ultimately their affair. Australia should accept that. But this also means Australia has no business accepting one side of the argument — bullying assertions of the Chinese — at the expense of the other, certainly not when the Tibetan side of the argument appears to have greater merit. For example, in 1992 the Permanent Tribunal of Peoples, a distinguished international body of jurists and others, considered a complaint by the Dalai Lama's government-in-exile. The tribunal — on which for this case Justice Michael Kirby sat — found China violated its international obligations by failing to stop torture and mistreatment of Tibetans by Chinese public order forces. The tribunal said the Tibetans, a people entitled to exercise their right to self-determination, were being denied that right by China.

The tribunal examined Tibet's international status. It said Tibet's relationship with China was unique and that it was difficult to say exactly what that status was when the People's Liberation Army invaded Tibet in 1949-50. But the break of Chinese control for more than 40 years before that and the substitution for the Emperor of China of the Republic of China and later the People's Republic of China effectively severed the personal links between the Emperor and the Dalai Lama. Now, the tribunal said, it was for the Tibetan people to determine whether they would live in some form of association with the People's Republic of China or in an entirely separate nation State.

The Chinese Government, of course, simply dismisses all such opinions. But that does not mean Australia should do the same. Mr Downer was right to tell his hosts in Beijing, politely but firmly, that Australia's strong relationship with China implied mutual respect and did not mean each side always agreed on everything.

Australia: Request to Fit Tomahawk to Collins-Class Submarine Rejected

BK2608103296 (Internet) Australian Broadcasting Corporation Online WWW in English 0349 GMT 26 Aug 96

[FBIS Transcribed Text] A proposal to fit Tomahawk cruise missiles to the new Collins-class submarine has been rejected on the grounds of cost.

The vessel's captain, Commander Peter Sinclair, supports the move, but it's been ruled out in the short term by Defence Minister, Ian McLachlan.

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